THIS PRINT COVERS CALENDAR ITEM NO.: 10A & 10B

SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY &
PARKING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO

DIVISION: Streets

BRIEF DESCRIPTION:

Awarding contracts #SFMTA-2021-64/1 and #SFMTA-2021-64/2 for the operation and management of the Group A and Group B parking facilities to LAZ Parking California, LLC, and IMCO Parking, LLC, respectively, each contract for a total amount not to exceed $180 million and a term not to exceed nine years (an initial term of five years plus two, two-year options to extend), and requesting the Board of Supervisors to approve the two contracts.

SUMMARY:

- The SFMTA manages 21 access-controlled off-street parking facilities: 11 ½ garages and one parking lot that the SFMTA owns; 3 ½ parking garages and one lot owned by the Recreation and Park Department owns; and four garages the Parking Authority owns.
- The SFMTA has always contracted for the management of its parking garages. The current garage management contracts will expire on January 31, 2023.
- On January 27, 2022, the SFMTA issued a Request for Proposals to solicit proposals from qualified parking management firms to operate the 18 parking garages the SFMTA owns and/or manages, plus three parking lots, divided into two groups of roughly equal parking spaces and revenues. The Agency received four proposals, of which LAZ Parking and IMCO Parking's proposals received the highest scores.
- The not-to-exceed value of each contract is $180 million over the potential nine-year terms, which includes the operating costs for each group of garages and $10,000 monthly management fees, which total approximately $20 million per year for each contract. Net SFMTA revenues from the garages are estimated to total $298 million over that period.
- Award of the two contracts will require Board of Supervisors' approval, because the value of each contract will exceed $10 million.

ENCLOSURES:

1. SFMTAB Resolution
2. PA Commission Resolution
3. Group A and B Parking Facility Management Agreements

APPROVALS: **DATE**

DIRECTOR _____ September 13, 2022

SECRETARY _____ September 13, 2022

ASSIGNED SFMTAB & PAC CALENDAR DATE: September 20, 2022

PURPOSE

Awarding contracts #SFMTA-2021-64/1 and #SFMTA-2021-64/2 for the operation and management of the Group A and Group B parking facilities to LAZ Parking California, LLC, and IMCO Parking, LLC, respectively, each contract for a total amount not to exceed $180 million and a term not to exceed nine years (an initial term of five years plus two, two-year options to extend), and requesting the Board of Supervisors to approve the two contracts.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

This action will support the following SFMTA Strategic Plan Goal:

10. Position the agency for financial success.

This action will support the following Transit First Policy Principles:

7. Parking policies for areas well served by public transit shall be designed to encourage travel by public transit and alternative transportation.

DESCRIPTION

Background

SFMTA's Authority over Off-Street Parking Facilities

The SFMTA manages 18 parking garages and 21 parking lots, three of which are included in the proposed contracts; the remaining 18 are metered lots not covered by these garage management contracts. Proposition D in 1987 created the Department of Parking and Traffic (DPT) and gave DPT authority over all off-street public parking facilities not owned by the Airport or the Port. The SFMTA succeeded to the DPT's authority when DPT merged with the SFMTA. Charter §§ 8A.112(a), 8A.113(a).

The SFMTA owns 11 ½ of the 18 garages it operates: Ellis O'Farrell Garage, Sutter Stockton Garage, Fifth and Mission Garage, Golden Gateway Garage, Mission Bartlett Garage, Performing Arts Garage, Moscone Center Garage, 16th & Hoff Garage, Pierce Street Garage, Vallejo Street Garage, St. Mary's Square Garage (one-half), and the Japan Center Garages. The SFMTA also operates the 7th & Harrison Lot. As required by Charter section 4.133, the SFMTA also manages 3 ½ off-street public parking facilities constructed under Recreation and Park Department property, which are Civic Center Garage, Union Square Garage, Portsmouth Square Garage and one-half of St. Mary's Square Garage. (RPD owns the portion of the St. Mary's Garage under St. Mary's Square, and the SFMTA owns the other half under the street.) At the request of the RPD, the SFMTA manages the parking lot at Kezar Stadium, as well.

The SFMTA also manages four parking garages that the Parking Authority of the City and County of San Francisco (Parking Authority) owns: Lombard Street Garage, North Beach Garage, Polk-Bush Garage, and the General Hospital Garage. The Parking Authority is

governed by State law. Calif. Streets and Highway Code § 32500 et seq. The SFMTA Board of Directors sits *ex officio* as the Parking Authority Commission, setting policies and approving contracts concerning Parking Authority garages. (Cal. Sts. & Hwy Code § 32656(c), Charter § 8A.112.A.) To more efficiently manage Parking Authority garages, in November 2007, the Parking Authority Commission contracted with the SFMTA to manage the Parking Authority's garages, applying the same policies and administrative procedures as the SFMTA uses to manage SFMTA garages. (MTAB Res. No. 07-71 Nov. 6, 2007.)

Current Operator Agreements

On December 6, 2011, the SFMTA Board of Directors (MTAB) and Parking Authority Commission (PAC) awarded three contracts to three separate parking operators, for the management of the garages and lots described above, identified as the Group A, B and C garages, each with a total term of nine years. Two of the operators merged shortly after contract award, with the effect that the SFMTA has had two garage management firms operating the garages for the past eight years.

In response to economic uncertainty and impacts on the parking industry arising from the coronavirus pandemic, the City extended the current garage management agreements for two additional years. The SFMTA Board and Parking Authority Commission approved the extensions on October 5, 2020, and the Board of Supervisors approved them on February 15, 2022. The current agreements expire on January 31, 2023.

Evolution of Garage Management and Operations

The current management contracts, which commenced in early 2012, were a significant improvement in the SFMTA's previous contracts to operate the garages it manages. Prior to 2012, SFMTA staff managed the garages under 14 separate operator contracts. Administering 14 contracts was time consuming and highly inefficient, and the differing terms of those contracts made it nearly impossible to achieve consistency in operational policy, revenue security, and customer experience. Under those contracts, the SFMTA paid each garage manager a monthly flat fee, which paid for all garage operating costs, including labor wages and benefits, management overhead, utilities, and facility maintenance and janitorial services. Any remainder was the manager's profit. This arrangement had the unintended consequence of allowing garage managers to increase their profits by cutting corners in garage maintenance and janitorial work, which caused the facilities' condition to deteriorate, to the detriment of the Agency and garage customers. That arrangement also provided incentives to operators not to pay garage staff fair wages and benefits, which are now governed by the City's prevailing wage ordinance and regulations.

With the inception of the three consolidated (Group A, B and C) management contracts in 2012, SFMTA staff oversight immediately became more efficient. Administering only three operator contracts instead of 14 allowed staff to focus on garage operations to ensure consistent adherence to SFMTA parking policies and contract requirements, with closer oversight of revenues and expenditures. It also allowed the Agency to benefit from economies of scale in operators' management costs and purchasing of supplies.

Structure of Proposed Management Agreements

Under the proposed garage management contracts, like the current consolidated contracts, the SFMTA will pay the selected garage management firms a fixed monthly management fee of $10,000 and will reimburse the garage managers' operating expenses as provided in SFMTA-approved annual budgets. This arrangement is common and is a current best practice in the parking industry. In approving annual budgets for operating expenses, the SFMTA may better ensure that the facilities are properly operated and maintained. Managers cannot increase their profits by cutting corners in maintenance, but managers bear the risk that if they do not operate facilities efficiently, they may have to pay additional expenditures necessary to operate the facilities as required by their contracts.

New Parking Management Technology (PARCS)

During the terms of the current contracts, the SFMTA implemented a comprehensive upgrade of the Parking Access And Revenue Control System (PARCS) equipment, which provide greater security, oversight and control over garage entries, exits, tickets, and tracks occupancy and reports parking revenues in real time through a City-owned fiber-optic data network. The additional control over garage entrances and exits and the full automation of nearly all payment transactions has significantly enhanced security of garage revenues, which has helped to maintain garage revenues even during the gradual downward trend in garage utilization over the last five years (excluding the significant drop in the revenues due to the pandemic).

RFP and Evaluation Process

As approved by the SFMTA Board, the Agency issued RFP #SFMTA-2021-64 on January 27, 2022, which solicited proposals from qualified parking garage management firms. The RFP continued the group-contract model (described above), which enhances consistency of operations and leverages significant economies of scale to make garage operations more efficient.

Four proposers submitted proposals that met the requirements of the RFP. The proposals included a Management/Operations Plan, a Marketing/Collaboration Plan, a Maintenance Plan, a Security and Safety Plan, and a Cost Proposal for operational expenses that are within the operator's control (e.g. personnel and labor costs, insurance premiums, credit card processing/PCI-DSS compliance costs, and security, maintenance and janitorial costs.) An evaluation panel scored each proposal using these criteria, and each proposer received a score of up to 150 points on its written proposal (which included 35 points for proposed operating costs). Oral interviews were then held with each of the four proposers, and each proposer's interview presentation was scored up to a maximum score of 50 points.

The ranking of the four proposers by the evaluation panel was:

1. LAZ Parking California, LLC	174.26 points
2. IMCO Parking, LLC (joint venture of Imperial Parking and Convenient Parking)	170.93 points
3. SP+ Municipal Services	157.6 points
4. Propark Mobility	157.33 points

LAZ Parking California, as the highest-ranking proposer, was offered its choice of groups and selected Group A. IMCO Parking, in turn, was offered, and accepted, Group B.

Scope of Work

Through the two proposed multi-year contracts, the selected operators will provide day-to-day operation and management services for their assigned parking facilities, which include PARCS management, janitorial services, security, and facility maintenance. The proposed contracts state those requirements and also incorporate the SFMTA's Parking Facility Operation and Management Regulations, which provide detailed operations requirements.

The 21 garages and lots are divided into Group A and Group B:

Group A – 9 Facilities	Group B – 12 Facilities
1. Ellis O'Farrell Garage, 123 O'Farrell	1. Japan Center Garages, 1610 Geary
2. Fifth & Mission Garage, 833 Mission	2. Civic Center Garage, 355 McAllister
3. Kezar Lot, 825 Stanyan	3. Golden Gateway Garage, 250 Clay
4. Mission Bartlett Garage, 3255 21st St.	4. Lombard Garage, 2055 Lombard
5. Moscone Center Garage, 255 3rd St.	5. North Beach Garage, 735 Vallejo
6. 7th & Harrison Lot, 415 7th St.	6. Performing Arts Garage, 360 Grove
7. General Hospital Garage, 2500 24th St.	7. Pierce Garage, 3252 Pierce
8. 16th & Hoff Garage, 42 Hoff	8. Polk Bush Garage, 1399 Bush
9. Union Square Garage, 333 Post	9. Portsmouth Square Garage, 733 Kearny
	10. St. Mary's Square Garage, 433 Kearny
	11. Sutter Stockton Garage, 444 Stockton
	12. Vallejo Garage, 766 Vallejo

The facilities in each group are roughly equivalent in number of parking stalls and annual revenue. For administrative efficiency, the Kezar Stadium parking lot and the parking lot at 7th & Harrison Streets are also included in these groups. The garage groupings were reviewed by contract compliance staff, which established a Local Business Enterprise (LBE) goal of 16 percent for Group A and 12 percent for Group B. As allowed by the RFP, the Japan Center Garages were added to Group B, in accordance with a pending amendment to the Japan Center Garage lease with the City of San Francisco Japan Center Parking Corporation.

Contract Costs and Garage Revenues

The estimated value of each contract is $180 million, which includes the sum of operating costs for each group of garages and $10,000 monthly management fees, which total approximately $20 million per year over the nine-year term (including parking taxes that the operators and the SFMTA collect from parkers and remit to the Tax Collector). Each month during the term of the contracts, the SFMTA will reimburse the garage managers their operating expenses, based on annual operating budgets prepared by each garage manager and approved by the SFMTA. The reimbursed operating costs are included the SFMTA's bi-annual operating budgets. A summary of annual garage operating expenses for all 21 parking facilities managed under the proposed two contracts for FY21-22 is shown below:

FY21-22 Garage Expenses

Expense Categories	Annual Expenditures
Labor	$8.6 million
Utilities	$2.2 million
Maintenance	$1.1 million
Supplies	$0.3 million
Contracted Services	$2.2 million
Fees	$4.5 million
Parking Tax	$12.3 million
Total	**$31.2 million**

Garages the SFMTA and the Parking Authority own generated approximately $32 million in net income per year (pre-pandemic), which are dedicated to support public transit. The Recreation and Parks Department receives the net income from the parking facilities it owns, which total approximately $8 million (pre-pandemic).

STAKEHOLDER ENGAGEMENT

Stakeholders from the Agency's Streets Division, Parking and Curb Management, Information Technology, and Contracts and Procurement provided input regarding the garage groupings and the desired scope of services from parking operators.

ALTERNATIVES CONSIDERED

The SFMTA could, with Board of Supervisors approval, extend the existing contracts, but doing so would not accord with City and SFMTA contracting policies that contracts should be put to competitive bid at regular intervals to ensure that the City receives the best services at reasonable prices. Therefore, staff does not recommend further extending the existing contracts.

The SFMTA could reconfigure the two groups of garages to multiple smaller groups or contract for the management of individual garages, but doing so would cause the Agency to lose the operational efficiencies and cost benefits gained through consolidation of operations and

implementation of the PARCS, as small parking operators would not have the IT resources to operate the PARCS.

The SFMTA could award a contract to a single management firm to manage all the garages. But the Agency has obtained significant value in contracting with more than one garage management firm, as that provides the Agency an on-going comparison of efficient operations and provides the Agency a means to continue operating all facilities if one operator fails to meet service obligations.

FUNDING IMPACT

Funds required to reimburse the managers' garage operating costs over the total nine-year terms of the contracts will be included in each of the SFMTA's bi-annual budgets, commencing with the Agency's budget for FY22-23 & FY23-24.

ENVIRONMENTAL REVIEW

On August 10, 2022, the SFMTA, under authority delegated by the Planning Department, determined that awarding contracts #SFMTA-2021-64/1 and #SFMTA-2021-64/2 is not 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

At its August 15, 2022, meeting, the Civil Service Commission approved Personnel Services Contract (PSC) request No. 46036-21/22 for $360,000,000 in connection with these two contracts.

Award of the contracts is subject to approval by the San Francisco Board of Supervisors under Charter Section 9.118, because expenditures are anticipated to exceed $10 million.

The City Attorney has reviewed this Calendar Item and the two contracts.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors award contracts #SFMTA-2021-64/1 and #SFMTA-2021-64/2 for the operation and management of the Group A and Group B parking facilities to LAZ Parking California, LLC, and IMCO Parking, LLC, respectively, each contract for a total amount not to exceed $180 million and a term not to exceed nine years (initial term of five years plus two, two-year options to extend), and that the SFMTA Board request the Board of Supervisors to approve the two contracts.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The SFMTA manages 21 access-controlled off-street parking facilities: 11 ½ parking garages and one lot it owns, four parking garages the San Francisco Parking Authority owns, and 3 ½ garages and one lot the Recreation and Parks Department owns; and

WHEREAS, The SFMTA Streets Division, like its predecessor agency the Department of Parking and Traffic, has always contracted with garage management companies to operate and maintain the parking garages under its jurisdiction; and

WHEREAS, The terms of the current three garage management contracts commenced in 2012, the terms of those contracts have been extended three times, and those contracts will finally expire on January 31, 2023; and

WHEREAS, In accordance with applicable municipal law and SFMTA policies, the contracts for the management, operation and maintenance of the parking garages should be procured through a competitive selection process that evaluates and ranks the proposers' experience and expertise and the value of the proposers' bids for operating costs; and

WHEREAS, On January 27, 2022, the SFMTA issued a Request for Proposals to solicit proposals from qualified parking management firms to operate the 18 parking garages the SFMTA owns and/or manages, plus three parking lots, which were divided into two groups of roughly equal number of parking spaces and revenues: Garage Group A, consisting of the Ellis O'Farrell Garage, Fifth & Mission Garage, Kezar Lot, Mission Bartlett Garage, Moscone Center Garage, 7th & Harrison Lot, General Hospital Garage, 16th & Hoff Garage, Union Square Garage; and, Garage Group B, consisting of Japan Center Garages, Civic Center Garage, Golden Gateway Garage, Lombard Garage, North Beach Garage, Performing Arts Garage, Pierce Garage, Polk Bush Garage, Portsmouth Square Garage, St. Mary's Square Garage, Sutter Stockton Garage, and Vallejo Garage; and

WHEREAS, The Agency received four proposals, of which LAZ Parking and IMCO Parking's proposals received the highest scores; and

WHEREAS, Under each of the proposed contracts, the SFMTA will pay the garage managers a $10,000 monthly management fee, and the SFMTA will reimburse the management firms their operating costs in accordance with SFMTA-approved annual operating budgets, which process accords with accepted parking industry best practices; and

WHEREAS, The not-to-exceed value of each proposed contract is $180 million, which includes $10,000 monthly management fees and operating costs for each Garage Group totaling approximately $20 million per year over the nine-year term of the contracts (an initial term of five years, plus two options to extend of two-years each option); and

WHEREAS, The contracts will each require Board of Supervisors' approval under Charter Section 9.118(b) because the contracts are expenditure contracts over $10 million; and

WHEREAS, The Contract Compliance Division has set Local Business Enterprise participation goals for Garage Group A to be 16 percent of contract value, and for Garage Group B to be 12 percent of contract value; and

WHEREAS, On August 10, 2022, the SFMTA, under authority delegated by the Planning Department, determined that awarding contracts #SFMTA-2021-64/1 and #SFMTA-2021-64/2 is not 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 to the SFMTA Board of Directors, and is incorporated herein by reference; and now, therefore, be it

RESOLVED, That the SMFTA Board of Directors awards contract #SFMTA-2021-64/1 for operation and management of the Group A parking facilities (consisting of the Ellis O'Farrell Garage, Fifth & Mission Garage, Kezar Lot, Mission Bartlett Garage, Moscone Center Garage, 7th & Harrison Lot, General Hospital Garage, 16th & Hoff Garage, and Union Square Garage) to LAZ Parking California, LLC for a total amount not to exceed $180 million and a term not to exceed nine years (an initial term of five years plus two options to extend the term for two-years each option); and be it

FURTHER RESOLVED, That the SMFTA Board of Directors awards contract #SFMTA-2021-64/2 for operation and management of the Group B parking facilities (consisting of the Japan Center Garages, Civic Center Garage, Golden Gateway Garage, Lombard Garage, North Beach Garage, Performing Arts Garage, Pierce Garage, Polk Bush Garage, Portsmouth Square Garage, St. Mary's Square Garage, Sutter Stockton Garage, and Vallejo Garage) to IMCO Parking, LLC for a total amount not to exceed $180 million and a term not to exceed nine years (an initial term of five years plus two options to extend the term for two-years each option); and be it

FURTHER RESOLVED, That the SMFTA Board of Directors requests the Board of Supervisors to approve the award of #SFMTA-2021-64/1 and #SFMTA-2021-64/2, as provided herein.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of September 20, 2022.

_____

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

PARKING AUTHORITY COMMISSION
OF THE CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. _____

WHEREAS, The Parking Authority of the City and County of San Francisco (Parking Authority) is an agency authorized and governed by State law (Streets and Highway Code section 32500 et seq.); and

WHEREAS, The Parking Authority owns four parking garages in San Francisco: Lombard Street Garage; North Beach Garage; Polk-Bush Garage; and, San Francisco General Hospital Garage; and

WHEREAS, The Board of Directors of the San Francisco Municipal Transportation Agency (SFMTA) sits ex officio as the Parking Authority Commission, as provided in Streets and Highway Code section 32656(c) and San Francisco Charter section 8A.112.A; and

WHEREAS, In October 2007, the Parking Authority contracted with and delegated to the San Francisco Municipal Transportation Agency to manage all Parking Authority facilities, applying the same policies, procedures and requirements as the SFMTA applies to the 16 parking garages under its jurisdiction, but the Commission retained its authority over Parking Authority contracts (Parking Auth. Comm. Res. 07-113, Nov. 3, 2007); and

WHEREAS, The SFMTA Streets Division, like its predecessor agency, the Department of Parking and Traffic, and the Parking Authority, have always contracted with garage management companies to operate and maintain parking garages under their jurisdiction; and

WHEREAS, The terms of the current three garage management contracts commenced in 2012. The terms of those contracts have been extended three times, and will finally expire on January 31, 2023; and

WHEREAS, The parking facilities are divided into two groups: Garage Group A, consisting of the Ellis O'Farrell Garage, Fifth & Mission Garage, Kezar Lot, Mission Bartlett Garage, Moscone Center Garage, 7th & Harrison Lot, General Hospital Garage, 16th & Hoff Garage, Union Square Garage, and, Garage Group B, consisting of Japan Center Garages Civic Center Garage, Golden Gateway Garage, Lombard Garage, North Beach Garage, Performing Arts Garage, Pierce Garage, Polk Bush Garage, Portsmouth Square Garage, St. Mary's Square Garage, Sutter Stockton Garage, and Vallejo Garage; and

WHEREAS, Under each of the proposed contracts, the SFMTA will pay the garage managers a $10,000 monthly management fee, and the SFMTA will reimburse the management firms their operating costs in accordance with SFMTA-approved annual operating budgets, which accord with accepted parking industry best practices; and

WHEREAS, The not-to-exceed value of each proposed contract is $180 million, which includes $10,000 monthly management fees and operating costs for each Garage Group totaling approximately $20 million per year over the nine-year term of the contracts; and

WHEREAS, The SFMTA's Contract Compliance Division has set Local Business Enterprise participation goals for Garage Group A to be 16 percent of contract value, and for Garage Group B to be 12 percent of contract value; and

WHEREAS, On August 10, 2022, the SFMTA, under authority delegated by the Planning Department, determined that awarding contracts #SFMTA-2021-64/1 and #SFMTA-2021-64/2 is not 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 to the Parking Authority Commission, and is incorporated herein by reference; now, therefore, be it

RESOLVED, That the Parking Authority Commission approves the SMFTA's award of contract #SFMTA-2021-64/1 for operation and management of the Group A parking facilities (which includes the Parking Authority's General Hospital Garage) to LAZ Parking California, LLC for a total amount not to exceed $180 million and a term not to exceed nine years (an initial term of five years plus two, two-year options to extend); and be it

FURTHER RESOLVED, That the Parking Authority Commission approves the SMFTA's award of contract #SFMTA-2021-64/2 for operation and management of the Group B parking facilities (which includes the Parking Authority's Lombard Garage, North Beach Garage, and Polk Bush Garage) to IMCO Parking, LLC for a total amount not to exceed $180 million and a term not to exceed nine years (an initial term of five years plus two, two-year options to extend.

I certify that the foregoing resolution was adopted by the Commission of the Parking Authority of the City and County of San Francisco at its meeting of September 20, 2022.

_____

Secretary to the Commission
Parking Authority of the City and County of San Francisco

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

LAZ Parking California, LLC

for

Management of the Group A Off-Street Parking Facilities

Table of Contents

Article 1: Definitions 1

Article 2: Term of the Agreement 3

Article 3: Financial Matters 4

3.1 Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation 4

3.2 Guaranteed Maximum Costs 4

3.3 Compensation 4

3.3.1 Calculation of Charges 4

3.3.2 Payment Limited to Satisfactory Services and Delivery of Goods 5

3.3.3 Withhold Payments 5

3.3.4 Invoice Format 5

3.3.5 Payment Terms 5

3.3.6 LBE Payment and Utilization Tracking System 6

3.3.7 Getting Paid by the City for Goods and/or Services 6

3.4 Audit and Inspection of Records 6

3.5 Submitting False Claims 6

3.6 Payment of Prevailing Wages 7

3.6.1 Covered Services 7

3.6.2 Wage Rates 9

3.6.3 Subcontract Requirements 9

3.6.4 Posted Notices 9

3.6.5 Payroll Records 9

3.6.6 Certified Payrolls 10

3.6.7 Compliance Monitoring 10

3.6.8 Remedies 11

Article 4: Services and Resources 11

4.1 Services Contractor Agrees to Perform 11

4.2 Qualified Personnel 11

4.3 Subcontracting 11

4.4 Independent Contractor; Payment of Employment Taxes and 12

4.4.1 Independent Contractor 12
4.4.2 Payment of Employment Taxes and Other Expenses 12
4.5 Assignment 13
4.6 Warranty 13
Article 5: Insurance and Indemnity 13
5.1 Insurance. 13
5.2 Indemnification 17
Article 6: Liability of the Parties 18
6.1 Liability of City 18
6.2 Liability for Use of Equipment 18
6.3 Liability for Incidental and Consequential Damages 18
Article 7: Payment of Taxes 19
7.1 Contractor to Pay All Taxes 19
7.2 Possessory Interest Taxes19
7.3 Withholding 20
Article 8: Termination and Default 20
8.1 Termination for Convenience 20
8.2 Termination for Default; Remedies 22
8.3 Non-Waiver of Rights 24
8.4 Rights and Duties upon Termination or Expiration 24
Article 9: Rights In Deliverables 25
9.1 Ownership of Results 25
9.2 Works for Hire 25
Article 10: Additional Requirements Incorporated by Reference 26
10.1 Laws Incorporated by Reference26
10.2 Conflict of Interest 26
10.3 Prohibition on Use of Public Funds for Political Activity 26
10.4 Consideration of Salary History 26
10.5 Nondiscrimination Requirements 27
10.5.1 Non Discrimination in Contracts 27
10.5.2 Nondiscrimination in the Provision of Employee Benefits 27
10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance 27

10.7 Minimum Compensation Ordinance 27
10.8 Health Care Accountability Ordinance 28
10.9 First Source Hiring Program 28
10.10 Alcohol and Drug-Free Workplace 28
10.11 Limitations on Contributions 28
10.12 Slavery Era Disclosure 29
10.13 Working with Minors 29
10.14 Consideration of Criminal History in Hiring and Employment Decisions 29
10.15 Public Access to Nonprofit Records and Meetings 29
10.16 Food Service Waste Reduction Requirements 29
10.17 Distribution of Beverages and Water 29
10.17.1 Sugar-Sweetened Beverage Prohibition 30
10.17.2 Packaged Water Prohibition 30
10.18 Tropical Hardwood and Virgin Redwood Ban 30
10.19 Preservative-Treated Wood Products 30
Article 11: General Provisions 30
11.1 Notices to the Parties 30
11.2 Compliance with Americans with Disabilities Act 31
11.3 Incorporation of Recitals 31
11.4 Sunshine Ordinance 31
11.5 Modification of this Agreement 31
11.6 Dispute Resolution Procedure 31
11.6.1 Negotiation; Alternative Dispute Resolution 31
11.6.2 Government Code Claim Requirement 32
11.7 Agreement Made in California; Venue 32
11.8 Construction 32
11.9 Entire Agreement 32
11.10 Compliance with Laws 32
11.11 Severability 32
11.12 Cooperative Drafting 32
11.13 Order of Precedence 33
11.14 Notification of Legal Requests 33

Article 12: SFMTA Specific Terms 33

12.1 Large Vehicle Driver Safety Training Requirements 33

Article 13: Data and Security 34

13.1 Nondisclosure of Private, Proprietary or Confidential Information 34

13.1.1 Protection of Private Information 34

13.1.2 Confidential Information 34

13.2 Payment Card Industry (PCI) Requirements 34

13.3 Business Associate Agreement 35

13.4 Ownership of City Data 35

13.5 Management of City Data and Confidential Information 35

13.5.1 Use of City Data and Confidential Information 35

13.5.2 Disposition of Confidential Information 36

13.6 MacBride Principles - Northern Ireland 36

Article 14: Included Appendices and Documents Incorporated by Reference 36

MANAGEMENT SERVICES **Error! Bookmark not defined.**

Independent Contractor **Error! Bookmark not defined.**

General Authority to Manage 1

Control Retained by the SFMTA 1

Access to Facility 1

Addition of Facilities 1

Manager's Responsibilities; Priority of Documents **Error! Bookmark not defined.**

Subcontracting and Other Parking Business Operations 2

Subcontracting Must be Authorized 2

Notification of Other Parking Business Operations 2

COMPENSATION **Error! Bookmark not defined.**

Management Fee and Reimbursement of Operating Expenses 1

Labor Costs 1

Payment Does Not Imply Acceptance of Work 1

Late Charges 2

Fees During Suspended Operations 2

Limitations on Payment of Fees 2

Guaranteed Maximum Costs 2

Approval Required For Additional Funding 2
Payments Must Be Authorized 3

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 LAZ Parking California, LLC Contract No. SFMTA 2021-64/1

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

Recitals

A. The SFMTA wishes to obtain the services of a parking operations vendor to manage and operate the City-owned parking facilities described in Attachment A as Garage Group A.

B. This Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through a Request for Proposals (RFP) issued on January 27, 2022, pursuant to which City selected Manager as one of the two highest-qualified parking management firms the submitted a proposal to perform the Services under this Agreement.

C. The Local Business Enterprise (LBE) subcontracting participation requirement for this Agreement is sixteen percent (16%) for Group A Garages.

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

E. The City's Civil Service Commission approved Personal Services Contract (PSC) request No. 46036-21/22 on August 15, 2022, which covers this contract.

F. The SFMTA Board of Directors approved this Agreement on _____ by Resolution No. _____and the San Francisco Board of Supervisors approved this Agreement on _____ by Resolution No. _____.

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. In addition, for purposes of this Agreement, initially capitalized terms shall have the meaning ascribed to them in the Parking Facility Operation and Management Regulations ("Facility Regulations") issued by the SFMTA, the current form of which is appended as Appendix D, except that for the purposes of this Agreement, the terms listed below shall have the following meanings

1.1 "**Agreement**" or "**Contract**" means this contract document, including all attached appendices, any future amendments, and all applicable City Ordinances and Mandatory City Requirements specifically incorporated into this Agreement by reference as provided herein.

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

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

1.4 "**City Data**" or "**Data**" means that data as described in Article 13 of this Agreement, which includes, without limitation, all data collected, used, maintained, processed, stored, or generated by or on behalf of the City in connection with this Agreement, as well as Confidential Information.

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

1.6 "**Confidential Information**" means City information that the City identifies as confidential, which includes but is not limited to personally-identifiable information (PII), protected health information (PHI), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of part 164); and San Francisco Administrative Code Chapter 12M (Chapter 12M).

1.7 "**Contract Administrator**" means the contract administrator assigned to the Contract by the SFMTA, or his or her designated agent.

1.8 "**Contractor**" or "**Consultant**" or "Manager" means LAZ Parking California, LLC.

1.9 "**C&P**" means SFMTA Contracts and Procurement.

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

1.11 "**Deliverables**" means Contractor's work product 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.

1.12 "**Director**" means the Director of Transportation of the SFMTA or his or her designee.

1.13 "**Effective Date**" means the date upon which the City's Controller certifies the availability of funds for this Agreement as provided in Section 3.1.

1.14 "**Facilities**" means the parking garages listed in Appendix A as Garage Group A, which the Manager will operate and at which the Manager will perform the Services as provided in this Agreement.

1.15 "**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.

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

1.17 "**Project Manager**" means the project manager assigned to the Contract for the SFMTA, or his or her designated agent.

1.18 "**Purchase Order**" means the written order issued by the City to the Contractor, authorizing the Effective Date as provided in Section 2.1.

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

1.20 "**Services**" means the work performed by Contractor under this Agreement as specifically described in the "Scope of Services" attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.

Article 2 Term and Nature of the Agreement

2.1 Term. The term of this Agreement shall commence on the Effective Date and expire five years from the Effective Date, unless earlier terminated as otherwise provided herein. The City has two options to extend the Agreement for periods totaling four years. The City may extend this Agreement beyond the expiration date by exercising an option at the Director of

Transportation's sole and absolute discretion and by modifying this Agreement in accordance with SFMTA Contracting policies.

2.2 Nature of the Agreement. This Agreement is a services agreement only. This Agreement is not a lease and does not grant or otherwise confer to Contractor any property rights in any of the parking facilities or other properties that the Contractor manages under this Agreement. The Contractor's presence on said facilities is limited to the term of this Agreement and is authorized only to the extent and as necessary for Contractor to perform the Services described in this Agreement.

Article 3 Financial Matters

3.1 Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation. This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller in the form of a Purchase Order, and the amount of 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 City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

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

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

3.3 Compensation.

3.3.1 Calculation of Charges. Contractor shall provide an invoice to the SFMTA on a monthly basis for Services completed (including goods delivered, if any) in the

immediately preceding month, unless a different schedule is set out in Appendix B (Calculation of Charges). Compensation shall be made for goods and/or Services identified in the invoice that the Director of Transportation, or his or her designee, in his or her sole discretion, concludes have been satisfactorily performed. In no event shall the amount of this Agreement exceed One Hundred Eighty Million dollars ($180,000,000). The breakdown of charges associated with this Agreement appears in Appendix B. As described in Appendix B, the City may withhold a portion of payment as retainage until the conclusion of the Agreement if agreed to by both Parties. In no event shall City be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any Services covered by this Agreement.

3.3.2 Payment Limited to Satisfactory Services and Delivery of Goods. Contractor is not entitled to any payments from City until the SFMTA approves the goods and/or Services delivered under this Agreement. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory goods and/or Services even if the unsatisfactory character may not have been apparent or detected at the time such payment was made. The City may reject goods and/or Services delivered under this Agreement that do not conform to the requirements of this Agreement. In such case, Contractor must replace the non-conforming goods and/or Services without delay and at no cost to the City.

3.3.3 Withhold Payments. If Contractor fails to provide goods and/or Services in accordance with Contractor's obligations under this Agreement, the City may withhold any and all payments due Contractor until such failure to perform is cured, and Contractor shall not stop work as a result of City's withholding of payments as provided herein.

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

3.3.5 Payment Terms.

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

3.3.6 LBE Payment and Utilization Tracking System. Contractor shall pay LBE subcontractors within three business days as provided under Chapter 14B.7(H)(9). Within ten business days of the SFMTA's payment of an invoice, Contractor shall confirm that all subcontractors have been paid via the B2GNow System (https://sfmta.diversitycompliance.com/) unless instructed otherwise by CMD. Failure to submit all required payment information to the City's Financial System with each payment request may result in the withholding of 20% of the payment due.

3.3.7 Compensation and Reimbursement of Authorized Operating Expenses.

(a) The SFMTA shall pay Contractor the Management Fee and reimburse the Contractor reimbursable authorized operating expenses in accordance with approved annual budgets, as provided in Appendices A and B to this Agreement.

(b) The City utilizes the Paymode-X® service offered by Bank of America Merrill Lynch to pay City contractors. Contractor must sign up to receive electronic payments to be paid under this Agreement. To sign up for electronic payments, visit http://portal.paymode.com/city_countyofsanfrancisco.

(c) At the option of the City, Contractor may be required to submit invoices directly in the City's financial and procurement system (PeopleSoft) via eSettlement. Refer to https://sfcitypartner.sfgov.org/pages/training.aspx for more information on eSettlement. For access to PeopleSoft eSettlement, submit a request through sfemployeeportalsupport@sfgov.org.

3.4 Audit and Inspection of Records. Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its Services. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any Federal agency having an interest in the subject matter of this Agreement shall have the same rights as conferred upon City by this Section. Contractor shall include the same audit and inspection rights and record retention requirements in all subcontracts.

3.5 Submitting False Claims. The full text of San Francisco Administrative Code Chapter 21, Section 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Pursuant to San Francisco Administrative Code §21.35, any contractor or

subcontractor who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A contractor or subcontractor will be deemed to have submitted a false claim to the City if the contractor or subcontractor: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

➔ **Work Force Retention and Payment of Prevailing Wages**.

3.5.1 Work Force Retention. San Francisco Administrative Code section 21C sets out certain requirements for the retention of garage personnel upon the change of a garage manager. Manager shall retain all garage employees at the Facilities covered by this Agreement as required by San Francisco Administrative Code section 21C. In addition, during the term of this Agreement, Manager shall not transfer or reassign employees of the Facilities so as to shift the costs of employees with more seniority onto the SFMTA. To that end, Manager shall not transfer any of its employees assigned to parking facilities that are not covered by this Agreement to any of the Facilities that are covered by this Agreement without the express written permission of the Director of Parking. Manager also shall not transfer any personnel assigned to the Facilities to parking facilities not covered by this Agreement without the express written permission of the Director of Parking.

3.5.2 Covered Services. Services to be performed by Contractor under this Agreement will involve the performance of work covered by the provisions of Section 21C [Miscellaneous Prevailing Wage Requirements] of the Administrative Code and may also involve the performance of trade work covered by the provisions of Section 6.22(e) of the San Francisco Administrative Code (collectively, "Covered Services"). The provisions of Section 6.22(e) and 21C of the Administrative Code are incorporated as provisions of this Agreement as if fully set forth herein and will apply to any Covered Services performed by Contractor and its subcontractors, as set forth in the following sections.

3.5.3 Wage Rates for Garage Attendants. The latest prevailing wage rates for garage attendants working public off-street parking facilities 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. Copies of the prevailing wage rates as fixed and determined by the Board of Supervisors are available from the Office of Labor Standards and Enforcement ("OLSE") and on the Internet at http://sfgov.org/olse/prevailing-wage. Contractor agrees that it shall pay not less than the

prevailing wage rates, as fixed and determined by the Board, to all workers employed by Contractor who perform parking garage attendant Covered Services under this Agreement.

3.5.4 Subcontract Requirements. Contractor shall insert in every subcontract or other arrangement, which it may make for the performance of Covered Services under this Agreement, a provision that said subcontractor shall pay to all persons performing labor in connection with Covered Services under said subcontract or other arrangement not less than the highest general prevailing rate of wages as fixed and determined by the Board of Supervisors for such labor or services.

3.5.5 Posted Notices. Contractor shall post job site notices regarding the obligations imposed by this Section 3.6 at all job sites where Covered Services are to be performed**.**

3.5.6 Payroll Records. Contractor shall keep or cause to be kept complete and accurate payroll records for all workers performing Covered Services. Such records shall include the name, address and social security number of each worker who provided Covered Services on the project, his or her classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every subcontractor who shall undertake the performance of any part of Covered Services shall keep a like record of each person engaged in the execution of Covered Services under the subcontract. All such records shall at all times be available for inspection of and examination by the City and its authorized representatives, including OLSE.

3.5.7 Reserved (Certified Payrolls).

3.5.8 Compliance Monitoring. Covered Services to be 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 and agrees to take the specific steps and actions to comply with the City's prevailing wage requirements. Steps and actions include but are not limited to requirements that: (i) Contractor will cooperate fully with OLSE and other City employees and agents authorized to assist in the administration and enforcement of the prevailing wage requirements and other labor standards imposed on Contractor by Chapter 21C of the San Francisco Administrative Code; (ii) Contractor agrees that OLSE employees and agents, in the performance of their duties, shall have the right to engage in random inspections of job sites and to have access to the employees of the Contractor, employee time sheets, inspection logs, payroll records and employee paychecks; (iii) Contractor shall maintain a sign-in and sign-out sheet showing which employees are present on the job site; (iv) Contractor shall prominently post at each job-site a sign informing employees that the project is

subject to the City's prevailing wage requirements and that these requirements are enforced by OLSE; and (v) that OLSE may audit such records of the Contractor as it reasonably deems necessary to determine compliance with the City's prevailing wage requirements. Failure to comply with these requirements may result in penalties and forfeitures consistent with Administrative Code Chapter 21C, as amended from time to time.

3.5.9 Remedies. Should Contractor, or any subcontractor who shall undertake the performance of any Covered Services, fail or neglect to pay to the persons who perform Covered Services under this contract, subcontract or other arrangement for the Covered Services, the general prevailing rate of wages as herein specified, Contractor shall forfeit, and in the case of any subcontractor so failing or neglecting to pay said wage, Contractor and the subcontractor shall jointly and severally forfeit, back wages due plus any penalties as set forth in Administrative Code Chapter 21C. The City, when certifying any payment which may become due under the terms of this Agreement, shall deduct from the amount that would otherwise be due on such payment the amount of said forfeiture.

3.5.10 Wage Rates for Maintenance Work. The latest prevailing wage rates for private employment on public contracts as determined by the San Francisco Board of Supervisors and the Director of the California Department of Industrial Relations, as such prevailing wage rates may be changed during the term of this Agreement, are incorporated as provisions of this Agreement. Copies of the prevailing wage rates as fixed and determined by the Board of Supervisors are available from the Office of Labor Standards and Enforcement (OLSE) and on the Internet at http://www.dir.ca.gov/DLSR/PWD and http://sfgov.org/olse/prevailing-wage. Contractor agrees that it shall pay not less than the prevailing wage rates, as fixed and determined by the Board, to all workers employed by Contractor who perform Covered Services under this Agreement.

3.5.11 Subcontract Requirements. As required by Section 6.22(e)(5) of the Administrative Code, Contractor shall insert in every subcontract or other arrangement that it may make for the performance of Covered Services under this Agreement, a provision that said subcontractor shall pay to all persons performing labor in connection with Covered Services under said subcontract or other arrangement not less than the highest general prevailing rate of wages as fixed and determined by the Board of Supervisors for such labor or services.

3.5.12 Posted Notices. As required by Section 1771.4 of the California Labor Code, Contractor shall post job site notices prescribed by the California Department of Industrial Relations (DIR) at all job sites where services covered by Chapter 6.22 are to be performed**.**

3.5.13 Payroll Records. As required by Section 6.22(e)(6) of the Administrative Code and Section 1776 of the California Labor Code, Contractor shall keep or cause to be kept complete and accurate payroll records for all trade workers performing Covered Services. Such records shall include the name, address and social security number of each worker who provided

Covered Services on the project, including apprentices, his or her classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every subcontractor who shall undertake the performance of any part of Covered Services shall keep a like record of each person engaged in the execution of Covered Services under the subcontract. All such records shall at all times be available for inspection of and examination by the City and its authorized representatives and the DIR.

3.5.14 Certified Payrolls. Certified payrolls shall be prepared pursuant to Administrative Code Section 6.22(e)(6) and California Labor Code Section 1776 for the period involved for all employees, including those of subcontractors, who performed labor in connection with Covered Services. Contractor and each subcontractor performing Covered Services shall submit certified payrolls to the City and to the DIR electronically. Contractor shall submit payrolls to the City via the reporting system selected by the City. The DIR will specify how to submit certified payrolls to it. The City will provide basic training in the use of the reporting system at a scheduled training session. Contractor and all subcontractors that will perform Covered Services must attend the training session. Contractor and applicable subcontractors shall comply with electronic certified payroll requirements (including training) at no additional cost to the City.

3.5.15 Compliance Monitoring. Covered Services to be performed under this Agreement are subject to compliance monitoring and enforcement of prevailing wage requirements by the DIR and /or the OLSE. Contractor and any subcontractors performing Covered Services will cooperate fully with the DIR and/or the OLSE and other City employees and agents authorized to assist in the administration and enforcement of the prevailing wage requirements and agrees to take the specific steps and actions as required by Section 6.22(e)(7) of the Administrative Code. Steps and actions include but are not limited to requirements that: (i) the Contractor will cooperate fully with the Labor Standards Enforcement Officer and other City employees and agents authorized to assist in the administration and enforcement of the Prevailing Wage requirements and other labor standards imposed on Public Works Contractors by the Charter and Chapter 6 of the San Francisco Administrative Code; (ii) the Contractor agrees that the Labor Standards Enforcement Officer and his or her designees, in the performance of their duties, shall have the right to engage in random inspections of job sites and to have access to the employees of the Contractor, employee time sheets, inspection logs, payroll records and employee paychecks; (iii) the Contractor shall maintain a sign-in and sign-out sheet showing which employees are present on the job site; (iv) the Contractor shall prominently post at each job-site a sign informing employees that the project is subject to the City's Prevailing Wage requirements and that these requirements are enforced by the Labor Standards Enforcement Officer; and (v) that the Labor Standards Enforcement Officer may audit such records of the Contractor as he or she reasonably deems necessary to determine compliance with

the Prevailing Wage and other labor standards imposed by the Charter and this Chapter on Public Works Contractors. Failure to comply with these requirements may result in penalties and forfeitures consistent with analogous provisions of the California Labor Code, including Section 1776(g), as amended from time to time.

3.5.16 Remedies. Should Contractor, or any subcontractor who shall undertake the performance of any Covered Services, fail or neglect to pay to the persons who perform Covered Services under this Contract, subcontract or other arrangement for the Covered Services, the general prevailing rate of wages as herein specified, Contractor shall forfeit, and in the case of any subcontractor so failing or neglecting to pay said wage, Contractor and the subcontractor shall jointly and severally forfeit, back wages due plus the penalties set forth in Administrative Code Section 6.22 (e) and/or California Labor Code Section 1775. When certifying any payment which may become due under the terms of this Agreement, the City will 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 reimburse the Contractor for, Services beyond the Scope of Services listed in Appendix A, unless Appendix A is modified as provided in Section 11.5 (Modification of this Agreement).

4.2 Qualified Personnel. Contractor shall use only competent personnel under the supervision of, and in the employment of, Contractor (or Contractor's authorized subcontractors) to perform the Services. Contractor will comply with City's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit adequate resources to ensure the efficient and effective operation of the Facilities.

4.3 Subcontracting.

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

4.3.2 City's execution of this Agreement constitutes its approval of the subcontractors listed below:

a. Men at Work

b. Marina Security Services

c. Costless Maintenance Services Company

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

4.4.1 Independent Contractor. For the purposes of this Section 4.4, "Contractor" shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor acknowledges and agrees that at all times, Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, 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 agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this Section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing in accordance with the requirements of this Agreement, 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, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

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 this Section 4.4 shall be solely limited to the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from this Section.

4.5 Assignment. The Services to be performed by Contractor are personal in character. Neither this Agreement, nor any duties or obligations hereunder, may be directly or indirectly assigned, novated, hypothecated, transferred, or delegated by Contractor, or, where the Contractor is a joint venture, a joint venture partner (collectively referred to as an "Assignment"), unless first approved by City by written instrument executed and approved as required under City law and under the policy of the SFMTA Board of Directors. The City's approval of any such Assignment is subject to the Contractor demonstrating to City's reasonable satisfaction that the proposed transferee is: (a) reputable and capable, financially and otherwise, of performing each of Contractor's obligations under this Agreement and any other documents to be assigned, (b) not forbidden by applicable law from transacting business or entering into contracts with City; and (c) subject to the jurisdiction of the courts of the State of California. A change of ownership or control of Contractor or a sale or transfer of substantially all of the assets of Contractor shall be deemed an Assignment for purposes of this Agreement. Contractor shall immediately notify City about any Assignment. Any purported Assignment made in violation of this provision shall be null and void.

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

Article 5 Insurance and Indemnity

5.1 Insurance.

5.1.1 Required Coverages. Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Manager will secure and maintain the Required Insurance for the Facilities as set forth in this Agreement. All costs under this Section shall be Operating Expenses. If directed by the City, and subject to approval by the City of the insurers and policy forms, Manager shall arrange and maintain throughout the term of this Agreement the following insurance policies and any additional insurance as may be required

(a) Commercial General Liability Insurance with limits not less than Two Million dollars ($2,000,000) each occurrence for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations. Such policy shall include endorsements for (1) false arrest, detention or imprisonment or malicious prosecution; (2) libel, slander or defamation of character; (3) wrongful entry or eviction or invasion of the right of privacy. Commercial Automobile Liability Insurance with limits not less than $2,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable. Contractor's deductible, if any, is not an expense the SFMTA will reimburse. The cost to the SFMTA for Contractor's reimbursable insurance costs shall not increase during the first five years of this Agreement.

(b) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than One Million Dollars ($1,000,000) each accident, injury, or illness, covering all employees employed in or about the Facilities to provide statutory benefits as required by the laws of the State of California. If Manager carries a policy for employees at the Facilities separate from its other employees, the City's liability to reimburse manager for its workers' compensation insurance premium is limited to average cost of workers compensation insurance per employee for all of Manager's employees. If Manager maintains a single workers' compensation insurance policy for all of its employees, irrespective of work-site assignment, then the City's liability to reimburse Manager shall be limited to the actual cost to Manager for the employees assigned to the Facilities. Said amount shall be calculated by dividing the cost of the annual premium by the number of Manager's employees and then multiplying that result by the number of Manager's employees assigned to work at the Facilities.

(c) Garage-keeper's legal liability insurance with limits not less than Ten Million Dollars ($10,000,000), for each occurrence combined single limit for loss and damage to vehicles in Manager's care, custody or control caused by fire, explosion, theft, riot, civil commotion, malicious mischief, vandalism or collision or the amounts required by Police Code section per facility, whichever requirement is higher. Any deductible under any such policy shall not be a reimbursable expense.

(d) Technology Errors and Omissions Liability coverage, with limits of One Million Dollars ($1,000,000) for each claim and each loss. The policy shall at a minimum

cover professional misconduct or lack of the requisite skill required for the performance of services defined in the Agreement and shall also provide coverage for the following risks:

(i) Network security liability arising from the unauthorized access to, use of, or tampering with computers or computer systems, including hacker attacks; and

(ii) Liability arising from the introduction of any form of malicious software including computer viruses into, or otherwise causing damage to the City's or third person's computer, computer system, network, or similar computer related property and the data, software, and programs thereon.

(e) Cyber and Privacy Insurance with limits of not less than One Million Dollars ($1,000,000**)** per claim. Such insurance shall include coverage for liability arising from theft, dissemination, and/or use of confidential information, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, protected health information or other personally identifying information, stored or transmitted in electronic form.

(f) Pollution Liability Insurance applicable to Contractor's activities and responsibilities under this Agreement with limits not less than Ten Million Dollars ($10,000,000) each occurrence combined single limit, including coverage for on-site third-party claims for bodily injury and property damage.

(g) Fidelity Insurance (or Fidelity Bond) or Crimes Insurance covering the theft or other loss of garage revenues caused by Contractor or its employees' intentional or negligent acts with limits not less than One Million Dollars ($1,000,000) per incident. Any retention on said insurance or bond shall not be a reimbursable expense.

5.1.2 Additional Insured Endorsements.

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

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

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

5.1.3 Waiver of Subrogation Endorsements.

(a) The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

5.1.4 Primary Insurance Endorsements.

(a) The Commercial General Liability 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) The Pollution 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.

5.1.5 Other Insurance Requirements.

(a) Manager's authorized insurer representative (?) shall provide not less than thirty (30) days' advance written notice to the City of cancellation, intended non-renewal, or reduction in coverages, except for non-payment, for which no less than 10 Days' notice shall be provided to City. Notices shall be sent to the City address set forth in Section 11.1 (Notices to the Parties). All notices, certificates and endorsements shall include the SFMTA contract number and title on the cover page.

(b) Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, 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 and additional insured policy endorsements from insurers with ratings comparable to A-, VIII or higher that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

(f) If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

5.2 Indemnification. To the maximum extent allowed by California law, Contractor shall indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts not in accordance with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

Separate and apart from and in addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times

thereafter. Contractor's obligation to defend the City is not altered or impaired by any court's limitation to Contractor's obligations to indemnify the City.

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

Article 6 Liability of the Parties

6.1 Liability of City. CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 3.3.1 (PAYMENT) OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

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

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

6.4 No Hazardous Materials. Manager hereby covenants and agrees that neither Manager nor any of its Agents or Invitees shall cause or permit any Hazardous Material to be brought upon, kept, used, stored, generated or disposed of in, on or about the Facilities or the Land or transported to or from the Land or the Facilities, provided that Manager, its Agents and Invitees may store and use such substances in the Facilities and on the Land in such limited amounts as are customarily used in a parking Facility so long as such storage and use is at all times in full compliance with all applicable Environmental Laws. Manager shall immediately notify the City if and when Manager learns or has reason to believe there has been any Release of Hazardous Material in, on or about the Land or the Facilities. The City may request Manager to provide information required for the City to determine whether any Hazardous Material permitted hereunder is being handled in compliance with all applicable Environmental Laws, and Manager shall promptly provide all such information.

6.5 Manager's Environmental Indemnity. If Manager breaches any of its obligations contained in Section 6.4 above, or, if any act or omission or negligence of Manager or any of its Agents or Invitees results in any Release of Hazardous Material in, on, under or about the Land or the Facilities (including any improvements thereon) or any other City property, without limiting Manager's general Indemnity contained in Section 5.2, Manager, on behalf of itself and its successors and assigns, shall indemnify the City and its respective officers, agents and employees, and each of them, from and against all Hazardous Materials claims arising during or after the termination or expiration of this Agreement and relating to such Release. The foregoing Indemnity includes, without limitation, all costs associated with the Investigation and Remediation of Hazardous Material and with the restoration of the facilities and the Land or any other City property to its prior condition including, without limitation, fines and penalties imposed by regulatory agencies, natural resource damages and losses, and re-vegetation of the Land or other City property. Without limiting the foregoing, if Manager or any of Manager's Agents or Invitees, causes or permits the Release of any Hazardous Materials in, on, under or about the Land, Facilities or any other City property, Manager shall, immediately, at no expense to the City, take any and all appropriate actions to return the Land, Facilities or other City property affected thereby to the condition existing prior to such Release and otherwise Investigate and Remediate the Release in accordance with all Environmental Laws. Manager shall provide the City with written notice of and afford the City a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, permit, approvals, or other compromise or proceeding involving Hazardous Material. Manager specifically acknowledges and agrees that it has an immediate and independent obligation to defend the City from any claim which actually or potentially falls within this Indemnity provision even if such allegation is groundless, fraudulent or false, and at all times before the determination of the validity of any such claim. The foregoing Indemnity is not limited by the amount of insurance required to be maintained by Manager.

Article 7 Payment of Taxes

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

7.2 Possessory Interest Taxes. Contractor acknowledges that this Agreement may create a "possessory interest" for property tax purposes. Generally, such a possessory interest is

not created unless the Agreement entitles the Contractor to possession, occupancy, or use of City property for private gain. If such a possessory interest is created, then the following shall apply:

7.2.1 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that Contractor, and any permitted successors and assigns, may be subject to real property tax assessments on the possessory interest.

7.2.2 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a "change in ownership" for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by Revenue and Taxation Code Section 480.5, as amended from time to time, and any successor provision.

7.2.3 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change of ownership of the possessory interest and result in the revaluation of the possessory interest. (see, e.g., Rev. & Tax. Code Section 64, as amended from time to time). Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.

7.2.4 Contractor further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements for possessory interests that are imposed by applicable law.

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

7.4 Parking Taxes. Contractor agrees it is obligated to report and remit Parking Tax pursuant to Section 6.10 of the Facility Regulations, which are included at Appendix D of this agreement.

Article 8 Termination and Default

8.1 Termination for Convenience

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

8.1.2 Upon receipt of the notice of termination, Contractor shall commence and perform, with diligence, all actions necessary on the part of Contractor to effect the termination of this Agreement on the date specified by City and to minimize the liability of Contractor and City to third parties as a result of termination. All such actions shall be subject to the prior approval of City. Such actions may include any or all of the following, without limitation:

(a) Halting the performance of all Services under this Agreement on the date(s) and in the manner specified by the SFMTA.

(b) Terminating all existing orders and subcontracts, and not placing any further orders or subcontracts for materials, Services, equipment or other items.

(c) At the SFMTA's direction, assigning to City any or all of Contractor's right, title, and interest under the orders and subcontracts terminated. 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 termination of such orders and subcontracts.

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

(e) Completing performance of any Services that the SFMTA designates to be completed prior to the date of termination specified by the SFMTA.

(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 prior to the specified termination date, for which Services the SFMTA has not already tendered payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Contractor's direct costs for Services. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.

(b) A reasonable allowance for profit on the cost of the Services described in the immediately preceding subsection (a), provided that Contractor can establish, to the satisfaction of 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 material or equipment returned to the vendor, 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 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 City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by the SFMTA, 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 City's payment obligation under this Section 8 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
10.11	Alcohol and Drug-Free Workplace
10.14	Working with Minors
11.10	Compliance with Laws
Article 13	Data and Security

(b) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, or in the appended Facility Regulations, 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. If Contractor defaults a second time in the same manner as a prior default cured by Contractor, 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 or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Contractor.

8.2.2 On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, where applicable, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the

maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor: (i) all damages, losses, costs or expenses incurred by City as a result of an Event of Default; and (ii) any liquidated damages levied upon Contractor pursuant to the terms of this Agreement; and (iii), any damages imposed by any ordinance or statute that is incorporated into this Agreement by reference, or into any other agreement with the City. This Section 8.2.2 shall survive termination of this Agreement.

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 to the address set forth in Article 11, and in the manner prescribed in Article 11.

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

8.4 Rights and Duties upon Termination or Expiration.

8.4.1 This Section 8.4 and the following Sections of this Agreement listed below, shall survive termination or expiration of this Agreement:

3.3.2	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
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

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

8.4.3 Duties Upon Termination and Expiration. On or before the last day prior to the termination or expiration of this Agreement, the City and Manager shall cause an inspection of the Facilities to occur as required by the Facility Regulations. Upon satisfactory completion of such inspection, the amounts remaining in the Security Deposit, if any, shall be disbursed to Manager as such procedure is prescribed in the Facility Regulations and the Parties shall pay all other amounts due to each other hereunder. Finally, Manager shall deliver to the City the originals of all books, permits, plans, records, licenses, contracts, unused tickets and other documents pertaining to the Facilities and their operation, any insurance policies, bills of sale or other documents evidencing title or rights of the City, and any and all other records or documents pertaining to the Facilities, whether or not enumerated herein, which are requested by the City or necessary or desirable for the ownership and operation of the Facilities, which are in Manager's possession. Manager further agrees to do all other things reasonably necessary to cause an orderly transition of the management and operation of the Facilities without detriment to the rights of the City or to the continued management of the Facilities.

Article 9 Rights In Deliverables

9.1 Ownership of Results. Any interest of Contractor or its subcontractors, in the Deliverables, including any drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Contractor or its subcontractors for the purposes of this Agreement, shall become the property of and will be transmitted to City. However, unless expressly prohibited elsewhere in this Agreement, Contractor may retain and use copies for reference and as documentation of its experience and capabilities.

9.2 Works for Hire. If, in connection with Services, Contractor or its subcontractors creates Deliverables including, without limitation, artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes, or any other original works of authorship, whether in digital or any other format, such works of authorship shall be works for hire as defined under Title 17 of the

United States Code, and all copyrights in such works shall be the property of the City. If any Deliverables created by Contractor or its subcontractor(s) under this Agreement are ever determined not to be works for hire under U.S. law, Contractor hereby assigns all Contractor's copyrights to such Deliverables to the City, agrees to provide any material and execute any documents necessary to effectuate such assignment, and agrees to include a clause in every subcontract imposing the same duties upon subcontractor(s). With City's prior written approval, Contractor and its subcontractor(s) may retain and use copies of such works for reference and as documentation of their respective experience and capabilities.

Article 10 Additional Requirements Incorporated by Reference

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

10.2 Conflict of Interest. By executing this Agreement, Contractor certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City's Charter; Article III, Chapter 2 of City's Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 *et seq.*), or Title 1, Division 4, Chapter 1, Article 4 of the California Government Code (Section 1090 *et seq.*), and further agrees promptly to notify the City if it becomes aware of any such fact during the term of this Agreement.

10.3 Prohibition on Use of Public Funds for Political Activity. In performing the Services, Contractor shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Contractor is subject to the enforcement and penalty provisions in Chapter 12G.

10.4 Consideration of Salary History. Contractor shall comply with San Francisco Administrative Code Chapter 12K, the Consideration of Salary History Ordinance or "Pay Parity Act." Contractor is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (a) asking such applicants about their current or past salary or (b) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at https://sfgov.org/olse/consideration-salary-history. Contractor is

required to comply with all of the applicable provisions of 12K, irrespective of the listing of obligations in this Section.

10.5 Nondiscrimination Requirements

10.5.1 Non Discrimination in Contracts. Contractor shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. Contractor shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Contractor is subject to the enforcement and penalty provisions in Chapters 12B and 12C.

10.5.2 Nondiscrimination in the Provision of Employee Benefits. San Francisco Administrative Code 12B.2. Contractor does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.

10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance. Contractor shall comply with all applicable provisions of Chapter 14B (LBE Ordinance). Contractor is subject to the enforcement and penalty provisions in Chapter 14B. Contractor shall utilize LBE Subcontractors for at least 12 or 16 percent of the Services except as otherwise authorized in writing by the CCO. Contractor shall incorporate the requirements of the LBE Ordinance in each subcontract made in the fulfillment of Contractor's LBE subcontracting commitments.

10.7 Minimum Compensation Ordinance. If Administrative Code Chapter 12P applies to this contract, Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. Information about and the text of the Chapter 12P is available on the web at http://sfgov.org/olse/mco. Contractor is required to comply with all of the applicable provisions of 12P, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Contractor certifies that it complies with Chapter 12P.

10.8 Prevailing Wages. Contractor shall Contractor shall provide prevailing wages and benefits and transitional employment and retention for the prior contractor's

employees, as required by San Francisco Administrative Code, Chapter 21, Section 21C.7. The Code Section may be reviewed at:

http://www.amlegal.com/nxt/gateway.dll?f=templates&fn=default.htm&vid=amlegal:sanfrancisco_ca

10.9 Health Care Accountability Ordinance. If Administrative Code Chapter 12Q applies to this contract, Contractor shall comply with the requirements of Chapter 12Q. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of Chapter 12Q, 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 Chapter 12Q. Any Subcontract entered into by Contractor shall require any Subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

10.10 First Source Hiring Program. Contractor must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, that apply to this Agreement, and Contractor is subject to the enforcement and penalty provisions in Chapter 83.

10.11 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.

10.12 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 (a) 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, (c) a candidate for that City elective office, or (b) a committee controlled by such elected official or a

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

10.13 Reserved. (Slavery Era Disclosure.)

10.14 Reserved. (Working with Minors.)

10.15 Consideration of Criminal History in Hiring and Employment Decisions

10.15.1 Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions) of the San Francisco Administrative Code (Chapter 12T), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at http://sfgov.org/olse/fco. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section 10.15 and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

10.15.2 The requirements of Chapter 12T shall only apply to a Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

10.16 Reserved. (Public Access to Nonprofit Records and Meetings.)

10.17 Reserved (Food Service Waste Reduction Requirements.)

10.18 Distribution of Beverages and Water.

10.18.1 Sugar-Sweetened Beverage Prohibition. Contractor agrees that it shall not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

10.18.2 Packaged Water Prohibition. Contractor agrees that it shall not sell, provide, or otherwise distribute Packaged Water, as defined by San Francisco Environment Code Chapter 24, as part of its performance of this Agreement.

10.19 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.

10.19.1 Contractor shall comply with San Francisco Environment Code Chapter 8, which provides that except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code, Contractor shall not provide any items to the City in performance of this contract which are tropical hardwoods, tropical hardwood wood products, virgin redwood or virgin redwood wood products. Contractor is subject to the penalty and enforcement provisions of Chapter 8.

10.20 Preservative-Treated Wood Products. Contractor shall comply with the provisions of San Francisco Environment Code Chapter 13, which requires that each Contractor purchasing preservative-treated wood products on behalf of the City shall only purchase such products from the list of alternatives adopted by the Department of the Environment pursuant to Section 1302 of Chapter 13, unless otherwise granted an exemption by the terms of that Chapter.

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: SFMTA
Attention: Ted Graff
Director of Parking
One South Van Ness Avenue, 8th floor
San Francisco, CA 94102
ted.graff@sfmta.com

To Contractor: Rod Howery
Regional Vice President
5901 Christie Avenue, #202
Emeryville, CA 94608

Any notice of default must be sent by overnight delivery service or courier, with a signature obtained at delivery. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party. If email notification is used, the sender must specify a receipt notice.

11.2 Compliance with Americans with Disabilities Act. Contractor shall provide the Services in a manner that complies with the Americans with Disabilities Act (ADA), including but not limited to Title II's program access requirements, and all other applicable federal, state and local disability rights legislation.

11.3 Incorporation of Recitals. The Recitals are incorporated into and made part of this Agreement.

11.4 Sunshine Ordinance. Contractor acknowledges that this Agreement and all records related to its formation, Contractor's performance of Services, and City's payment are subject to the California Public Records Act, (California Government Code §6250 et. seq.), and the San Francisco Sunshine Ordinance, (San Francisco Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state or local law.

11.5 Modification of this Agreement. This Agreement may not be modified, nor may compliance with any of its terms be waived, except as noted in Section 11.1 (Notices to Parties) regarding change in personnel or place, and except by written instrument executed and approved as required under City law and under the policy of the SFMTA Board of Directors. Contractor shall cooperate with the SFMTA to submit to the CCO any amendment, modification, supplement or change order that would result in a cumulative increase of the original amount of this Agreement by more than 20% (CMD Contract Modification Form).

11.6 Dispute Resolution Procedure.

11.6.1 Negotiation; Alternative Dispute Resolution. The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement. If the Parties are unable to resolve the dispute, then, pursuant to San Francisco Administrative Code Section 21.36, Contractor may submit to the Contract Administrator a written request for administrative review and documentation of the Contractor's claim(s). Upon such request, the Contract Administrator shall promptly issue an administrative decision in writing, stating the reasons for the action taken and informing the Contractor of its right to judicial review. If agreed by both Parties in writing, disputes may be resolved by a mutually agreed-upon alternative dispute resolution process. If the Parties do not mutually agree to an alternative dispute resolution process or such efforts do not resolve the dispute, then either Party may pursue any remedy available under California law. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its

obligations under this Agreement in accordance with the Agreement and the written directions of the City. Neither Party will be entitled to legal fees or costs for matters resolved under this Section 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 Agreement was advertised, negotiated and executed in San Francisco, California. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco, California.

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

11.9 Entire Agreement. This Contract and the documents incorporated by reference, including but not limited to the Facility Regulations, sets forth the entire agreement between the Parties, and supersedes all other oral or written provisions. This Agreement may be modified only as provided in Section 11.5 (Modification of this Agreement).

11.10 Compliance with Laws. Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and duly adopted rules and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

11.11 Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the Parties and shall be reformed without further action by the Parties to the extent necessary to make such provision valid and enforceable.

11.12 Cooperative Drafting. This Agreement has been drafted through a cooperative effort of City and Contractor, and both Parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No Party shall be considered the drafter of this

Agreement, and no presumption or rule that an ambiguity shall be construed against the Party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

11.13 Order of Precedence. Contractor agrees to perform the services described below in accordance with the terms and conditions of this Agreement, the Facility Regulations, and properly executed and approved amendments to this Agreement, and, the RFP, Should there be a conflict of terms or conditions, this Agreement, the RFP, and/or the Facility Regulations the documents shall be interpreted in the following order of precedence:

a. Facility Regulations

b. Contract Modification(s) (precedence is in reverse chronological order)

c. Agreement

d. RFP

11.14 Notification of Legal Requests. Contractor shall immediately notify City upon receipt of any subpoenas, service of process, litigation holds, discovery requests, and other legal requests (Legal Requests) related to all City Data given by City to Contractor in the performance of this Agreement, or which in any way might reasonably require access to City Data, and in no event later than 24 hours after it receives the request. Contractor shall not respond to Legal Requests related to City without first notifying City other than to notify the requestor that the information sought is potentially covered under a non-disclosure agreement. Contractor shall retain and preserve City Data in accordance with the City's instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by the City to Contractor, independent of where the City Data is stored.

11.15 COVID Public Health Requirements. Contractor shall comply with all applicable orders and directives of the San Francisco County Health Officer concerning Covid-19, including but not limited to mask and vaccination requirements.

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/largevehicletrainingstandards. This requirement does not apply to drivers providing delivery services who are not employees or subcontractors of the 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 the 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 the 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 Confidential Information. In the performance of Services, Contractor may have access to, or collect on City's behalf, City's proprietary or Confidential Information, the disclosure of which 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. Data and images generated by the PARCS are Confidential Information, including but not limited to transaction data, license plate numbers, and video images.

13.2 Payment Card Industry (PCI) Requirements. Contractors providing services and products that handle, transmit or store cardholder data, are subject to the following requirements, as well as those detailed in the Facility Regulations Section 6.3:

13.2.1 Applications shall be compliant with the Payment Application Data Security Standard (PA-DSS) and validated by a Payment Application Qualified Security Assessor (PA-QSA). A Contractor whose application has achieved PA-DSS certification must then be listed on the PCI Councils list of PA-DSS approved and validated payment applications.

13.2.2 Gateway providers shall have appropriate Payment Card Industry Data Security Standards (PCI DSS) certification as service providers (https://www.pcisecuritystandards.org/index.shtml). Compliance with the PCI DSS shall be achieved through a third-party audit process. The Contractor shall comply with Visa Cardholder Information Security Program (CISP) and MasterCard Site Data Protection (SDP) programs.

13.2.3 For any Contractor that processes PIN Debit Cards, payment card devices supplied by Contractor shall be validated against the PCI Council PIN Transaction Security (PTS) program.

13.2.4 For items 13.2.1 to 13.2.3 above, Contractor shall provide a letter from their qualified security assessor (QSA) affirming their compliance and current PCI or PTS compliance certificate.

13.2.5 Contractor shall be responsible for furnishing City with an updated PCI compliance certificate 30 Days prior to its expiration.

13.2.6 Bank Accounts. Collections that represent funds belonging to the City and County of San Francisco shall be deposited, without detour to a third party's bank account, into a City and County of San Francisco bank account designated by the SFMTA.

13.3 Reserved. (Business Associate Agreement).

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

13.5 Management of City Data and Confidential Information.

13.5.1 Use of City Data and Confidential Information. Contractor agrees to hold City Data received from, or collected on behalf, of the City, in strictest confidence. Contractor shall not use or disclose City Data except as permitted or required by the Agreement or as otherwise authorized in writing by the City. Any work using, or sharing or storage of, City Data outside the United States is subject to prior written authorization by the City. Access to City Data must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. Contractor is provided a limited non-exclusive license to use the City Data solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing herein shall be construed to confer any license or right to the City

Data or Confidential Information, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data by Contractor, subcontractors, or other third parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.

13.5.2 Disposition of Confidential Information. Upon request of City or termination or expiration of this Agreement, and pursuant to any document retention period required by this Agreement, Contractor shall promptly, but in no event later than 30 Days, return all Data given to or collected by Contractor on City's behalf, which includes all original media. Once Contractor has received written confirmation from City that the City Data has been successfully transferred to City, Contractor shall within 10 Days clear or purge all City Data from its servers, any hosted environment Contractor has used in performance of this Agreement, including its subcontractors' environment(s), work stations that were used to process the Data or for production of the Data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five Days of the purge. 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.

13.6 MacBride Principles - Northern Ireland. The provisions of San Francisco Administrative Code §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.

Article 14 Included Appendices and Documents Incorporated by Reference

The Appendices and documents listed below are incorporated by reference of this Agreement as if fully set out herein:

a. Facility Regulations

b. Scope of Services

c. Calculation of Charges

➔ [SIGNATURES ON FOLLOWING PAGE]

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

CITY	**CONTRACTOR**
San Francisco **Municipal Transportation Agency** _____ Jeffrey P. Tumlin Director of Transportation Authorized By: Municipal Transportation Agency Board of Directors Resolution No: _____ Adopted: _____ Attest: _____ Christine Silva, Secretary Board of Supervisors Resolution No: _____ Adopted: _____ Attest: _____ Clerk of the Board Approved as to Form: David S. Chiu City Attorney By: _____ Robert K. Stone Deputy City Attorney	**LAZ Parking California, LLC** _____ Mike Kuziak Chief Operating Officer <u>Acknowledgement of Large Vehicle Driver Safety Training Requirements</u>: By signing this Agreement, Contractor acknowledges that it has read and understands Section 12.1: Large Vehicle Driver Safety Training Requirements. City Supplier Number: **0000016454**

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Appendix A
Scope of Services

1. Management Services

1.1 General Authority to Manage. Subject to **Subsections 1.2 through 1.6** of this Section, Manager shall manage and supervise the day-to-day operation of the Facilities and perform the Services described in and in accordance with this Agreement and the Facility Regulations.

1.2 Control Retained by the City. The City shall at all times retain the authority to exercise control over the Facilities. The Manager's presence in the Facilities is necessary and required for Manager's performance of the Services, but this Agreement does not confer on the Manager any rights or interest in the Facilities, including but not limited to leasehold or other property right. The Manager shall perform the Services as an independent contractor in accordance with policies and directives of the SFMTA applying best parking industry practices. Any terms in this Agreement referring to direction from the SFMTA shall be construed as providing for direction as to policy and the result of Manager's performance of the Services, and not as to the means and methods by which such results are obtained.

1.3 Access to Facilities. The SFMTA and its duly authorized agents have the right to enter the Facilities at any time without notice for any purpose, including but not limited (i) inspection, (ii) to make any repairs, additions or renovations as the SFMTA shall deem necessary, and (iii) for use by the SFMTA in case of emergency, as determined by the SFMTA in its sole discretion.

1.4 Addition or Deletion of Facilities.

(1) The SFMTA shall have the option during the term of this Agreement to add up to three additional parking facilities to those Facilities listed in this Agreement. The Manager shall perform the Services at any added parking facility as described in this Agreement and the Facility Regulations. In the event that the SFMTA exercises the options to add a parking facility to the scope of work of this Agreement, the SFMTA shall provide written notice of intent to the Manager not less than 30 days before the Manager must perform the Services for that additional parking facility. The SFMTA shall compensate Manager for the Services performed at the added facility by payment of an additional Management Fee of $2 for each parking space in the added facility, plus the reimbursable expenses incurred by Manager in performing the Services at the added facility. For example, if a 500-space facility is added in March 2023, the monthly management fee of $10,000 will be increased by $1,000 ($2 x 500) to $11,000.

(2) The SFMTA shall have the option during the term of this Agreement to either temporarily or permanently remove a maximum of three Facilities from the Manager's Services in the event that the SFMTA determines that a parking facility should be closed temporarily or permanently. In the event the SFMTA exercises its option to remove a facility from the Facilities under this Agreement, Manager's monthly management fee will be reduced by $2 per space deleted from the Facilities. For example, if a 500-space facility is deleted in March 2023, the monthly management fee of $10,000 will be reduced by $1,000 ($2 x 500) to

$9,000. In the event that a facility is returned to service during the term of the Agreement, the Management Fee shall be reinstated in the same manner.

1.5 Annual Operating Budget. Manager shall prepare for SFMTA review not later than June 15 of each year during the term of the Agreement a proposed operating budget for each of the Facilities in accordance with Facility Regulations section 6.1. A proposed operating budget shall include all anticipated expenditures necessary to operate and maintain each of the Facilities, including all Reimbursable Expenses and management fees, the SFMTA and Manager shall confer and adjust the proposed annual budget as necessary. The SFMTA will include each annual operating budget in the Agency's annual budget. Following approval by the SFMTA, the Manager shall provide the Services in accordance with and within the limits of approved annual operating budgets. Manager shall not seek reimbursement for its costs and expenditures incurred in providing the Services, except as provided in an approved annual operating budget. The Manager must receive approval from the SFMTA's Director of Parking, or her/his designee, to seek reimbursement for any costs or expenditures that are not included in an approved annual operating budget. The SFMTA shall have no liability for any expenditure or any obligation to compensate Manager for any expense or cost incurred by Manager that is not included in an annual operating budget, unless the Director of Parking, or her/his designee, has authorized that expenditure in writing in advance of Manager incurring that cost or expense.

1.6 Maintenance Personnel and Contracting. Manager shall employ, or contract for, sufficient personnel to perform the routine maintenance and repair work at the Facilities in a prompt and efficient manner so as to keep the premises at all times in a first-class operating condition that is clean, safe and attractive, as specified in Appendix C, Maintenance Standards and Form of Maintenance Schedule. Manager acknowledges and agrees that this Agreement does not constitute a contract for construction and no part of this Agreement or the Services shall be deemed to be a contract for public work. The Services may include Manager's performance of minor repairs and cosmetic and aesthetic improvements to the Facilities. But Manager shall not perform work as part of the Services that would constitute construction or public works, as those terms are defined in applicable California law.

1.7 Subcontracting and Other Parking Business Operations.

(1) Subcontracting Must be Authorized. Except as otherwise authorized under this Agreement, to ensure the quality of work performed on the Facilities, Manager is prohibited from subcontracting any of its duties under this Agreement or any part of it unless such subcontracting is first approved by the Director in writing. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. An agreement made by Manager and a subcontractor that is in violation of this provision shall confer no rights on any party and shall be null and void.

(2) Notification of Other Parking Business Operations. Manager shall promptly notify the Director in writing of any parking-related business located or operating in San Francisco, California in which Manager has an interest, or in which Manager proposes to have an interest. Manager shall list in an appendix to this Agreement any parking-related business located or operating in San Francisco, California in which Manager has an interest, as well as the nature and extent of that interest, as of the date of this Management Agreement. The SFMTA reserves the right to terminate this Management Agreement at no additional cost to the City if the SFMTA determines that Manager's interests in other parking business operations in San Francisco, California will adversely impact SFMTA revenues or

adversely impact the quality of Manager's Services or otherwise are not in the best interests of the City. For purposes of this paragraph, a reportable interest shall be any ownership interest of five percent (5%) or greater.

2. 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.

3. Reports

Contractor shall submit written reports as requested by the SFMTA. 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. The reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

4. Department Liaison

In performing the Services provided for in this Agreement, Contractor's liaison with the **SFMTA** will be **Rob Malone, Sr. Manager, Off-Street Parking; Rob.Malone@SFMTA.com, (415) 646-4528.**

5. Garage Group A

All that certain real property situated in the City and County of San Francisco, State of California described as follows:

1. Ellis O'Farrell Garage:

Ellis O'Farrell Garage is a multi-level public parking structure with 950 spaces located at 123 O'Farrell Street in the Union Square District of San Francisco. Beginning at a point on the northerly line of Ellis Street, distance thereon 137 feet and 6 inches westerly from the westerly line of Stockton street; running thence westerly along said line of Ellis Street 137 feet and 6 inches, more or less, thence at a right angle northerly 137 feet and 6 inches; thence at a right angle easterly 30 feet, more or less, to a point perpendicularly distant westerly 245 feet from the westerly line of Stockton Street; thence at a right angle northerly 137 feet and 6 inches, more or less, to the southerly line of O'Farrell Street; thence at a right angle easterly along O'Farrell Street 107 feet and 6 inches to a point distant thereon 137 feet and 6 inches westerly from the westerly line of Stockton Street; thence at a right angle southerly 275 feet, more or less, to the point of beginning.
Being a portion of 50 Vera Block No. 144.

2. Fifth & Mission Garage

The Fifth & Mission Garage occupies a city block bordered by Mission Street, 4th & 5th Streets and Minna Alley. The Garage address is 833 Mission Street, and it has sixteen (16) vehicular entrance / exit access lanes on Mission, Fifth and Minna Streets all on the main/ground level of the building. The Garage is an 8 level self-park facility with over 2,300 parking stalls.

3. Kezar Lot

The Kezar Lot is a 107,440 square foot, 300 space surface parking lot located at Stanyan Street near Frederick Street at the east end of Golden Gate Park and adjacent to the Haight Street commercial corridor, more fully described below:
Beginning at a point on the westerly line of Stanyan Street, distance thereon 56.125' northwesterly from the northerly line of Frederick Street. Running thence northwesterly along the northerly property line of Block 1263 lot 1, 6, & 7, 260.541'; thence southerly along the westerly line of Block 1263 lot 7, 78.646'; thence westerly along the northerly line of Frederick Street 153' to the northeasterly intersection of Frederick and Willard Street; thence northerly along the easterly line of Willard Street and its northerly prolongation 328.75'; thence easterly and parallel with the northerly line of Beulah Street, 412.5' to a point in the westerly line of Stanyan Street; thence at a right angle westerly, 82.5'; thence at a right angle southerly, 129.5'; thence at a right angle easterly 82.5' to a point on the westerly line of Stanyan Street and the point of beginning.

4. Mission Bartlett Garage:

Commencing at a point on the northerly line of 22nd Street distant thereon 125 feet easterly from the easterly line of Valencia Street, running thence easterly along the northerly line of 22nd Street 125 feet to the point of its intersection with the westerly line of Bartlett Street, running thence northerly along the westerly line of Bartlett Street 520 feet to the point of its intersection with the southerly line of 21st Street, running thence westerly along the southerly line of 21st Street 138 feet, running thence in a generally southerly direction in an irregular line to the point of commencement in such a way that the width of the public parking facility is no more than 138 feet at its widest point and no less than 100 feet at its narrowest point.

5. Moscone Center Garage:

The Garage, built in 1980, is a seven-story and basement reinforced concrete structure containing approximately 255,444 square feet of parking area. The Garage can accommodate 732 vehicles in self-park spaces. At ground level along the Third Street and northerly frontages of the Garage there are several commercial storefronts, which comprise an additional 4,317 square feet of improved area.
The Garage is located at the northeast corner of Third and Clementina Streets, across Third Street from the Moscone Convention Center. The rectangular-shaped Garage property has a frontage of 190 feet along Third Street and contains approximately 40,655 square feet. The Garage address is 255 Third Street and is otherwise known as Lot 60, in Assessor's Block 3735.

6. 7th & Harrison Lot:

The surface parking lot is located at the southeast corner of 7th and Harrison streets, adjacent to the old Hall of Justice. The rectangular-shaped lot has a frontage of 102 feet along 7th Street and extends easterly 440 feet along Harrison Street and contains approximately 48,000 square feet. The lot address is 415 7th Street and is otherwise known as Lot 40, in Assessor's Block 3759.

The lot is situated beneath the 101 Freeway on Caltrans property with one vehicular entrance and exit on 7th Street and one vehicular exit onto Harrison Street. The lot is striped to accommodate 101 self-parked vehicles.

7. Zuckerberg San Francisco General Hospital Garage:

Beginning at the point of intersection of the northerly line of Twenty-Fourth Street with the westerly line of San Bruno Avenue; thence northerly along said westerly line of San Bruno Avenue 400 feet to the southerly line of Twenty-Third Street; thence at a right angle westerly along said line of Twenty-Third; then at a right angle westerly along said line of Twenty-Third Street 200 feet to the easterly line of Utah Street; thence at a right angle southerly along said line of Utah Street 400 feet to the northerly line of Twenty-Fourth Street; then at a right angle easterly along said northerly line of Twenty Fourth Street 200 feet to the point of beginning.

Also known as Lot 1 of Assessor's Block 4213.

8. 16th & Hoff Garage:

Beginning at the point of intersection of the southerly line of 16th Street and the easterly line of Hoff Street, running thence southerly along said line of Hoff Street 122 feet; thence at a right angle westerly 92 feet 6 inches; thence at a right angle northerly 7 feet; thence at a right angle westerly 61 feet 7 ½ inches; thence at a right angle southerly 133 feet; thence at a right angle easterly 154 feet 1 ½ inches; and thence at a right angle northerly 126 feet to the point of beginning.

Also commonly known as Lots 87 and 88 in Assessor's Block 3569.

9. Union Square Garage

The Union Square Garage is a 795-space underground parking garage located at 333 Post Street in San Francisco, directly beneath the Union Square Plaza, more fully described below:

Commencing at a point formed by the intersection of the Southerly line of Post Street with the Easterly line of Powell Street, running thence Easterly and along said Southerly line of Post Street 412 feet six inches to the Westerly line of Stockton Street; thence at right angles Southerly and along said Westerly line of Stockton Street 275 feet to the Northerly line of Geary Street; thence at right angles Westerly and along said Northerly line of Geary Street 412 feet six inches to the Easterly line of Powell Street; thence at

right angles Northerly and along said Easterly line of Powell Street 275 feet to the Southerly line of Post Street and the point of commencement.

Being that block on land known as Union Square.

Appendix B
Calculation of Charges

1. Compensation

1.2 Management Fee and Reimbursement of Operating Expenses.

(1) Manager shall be paid a monthly Management Fee of Ten Thousand Dollars ($10,000) for Services performed by it under this Agreement. Beginning the sixth anniversary of the Effective Date (and also at the eighth anniversary of the Effective Date, if the term is extended), the monthly Management Fee will be increased by five percent (5%). Provided Manager is not in default under this Agreement, or an event has not occurred that, with the giving of notice or the passage of time, would constitute a default, the Management Fee shall be due and payable under the requisition procedure required by **Section 6.9 of the Facility Regulations**, provided the SFMTA receives the Monthly Report required by **Section 6.8 of the Facility Regulations**. Should the Commencement Date or the Expiration Date occur on any day other than the first day of a calendar month, the Management Fee for that particular month shall be prorated based on a 30-day month.

(2) Manager shall be entitled to reimbursement from the SFMTA for all Operating Expenses properly incurred and paid by Manager in the performance of Manager's duties hereunder and as specified in the approved annual operating budget (Budget) in accordance with the Facility Regulations. Such reimbursement shall be subject to Manager's compliance with the submittal procedures set forth in the Facility Regulations and shall be subject to all City approvals required under this Agreement. The SFMTA's obligation to reimburse Manager for wages, salaries or benefits is limited to reimbursement for time that employees of Manager are actually working at the Facilities for the benefit of the SFMTA. Manager shall not be reimbursed for overhead expenses that have not been specifically set out as reimbursable expenses. All costs not identified as reimbursable expenses shall be borne by Manager.

(3) The City shall make all payments to Manager at the address specified in **Section 11.1** (Notice Requirements).

1.3 Labor Costs. The SFMTA shall not be required to reimburse Manager for wages beyond the amounts Manager actually incurred, subject to documented proof. The SFMTA shall not be obligated or liable to reimburse Manager its costs of discretionary increases in wages or benefits that are not included in an approved annual operating budget without the prior express written authorization of the SFMTA's Director of Parking.

1.4 Payment Does Not Imply Acceptance of Work. The granting of any payment by the SFMTA, or the receipt thereof by Manager, shall not imply acceptance by the SFMTA or the City of any report required by this Agreement, nor shall such payment lessen the liability of Manager to replace unsatisfactory work, equipment, or materials, although the unsatisfactory character of such work, equipment or materials may not have been apparent or detected at the time such payment was made. Materials, equipment, components, or workmanship that do not conform to the requirements of this Agreement may be rejected by the SFMTA and in such case must be replaced by Manager without delay. For purposes of this Agreement, payment includes reimbursement of Operating Expenses and the Management Fee.

1.5 Late Charges. Any revenues or monies, if not deposited or transferred as specified in the Facility Regulations, shall bear interest from the due date until deposited at the rate of the prime rate of the financial institution holding the accounts plus three percent (3%) per year or, if a higher rate is legally permissible, at the highest rate permitted under law. However, interest shall not be payable on late charges incurred by Manager nor on any amounts on which late charges are paid by Manager to the extent this interest would cause the total interest to be in excess of that which is permitted by law. Payment of interest shall not excuse or cure any default by Manager. The late payment charge constitutes liquidated damages to compensate the SFMTA for its damages resulting from such failure to pay and shall be paid to the SFMTA together with such unpaid amount. The late payment charge has been agreed upon by the SFMTA and Manager, after negotiation, as a reasonable estimate of the additional administrative costs and detriment the SFMTA will incur as a result of any such failure by Manager, the actual costs thereof being extremely difficult, if not impossible, to determine.

1.6 Fees During Suspended Operations. If for any reason whatsoever, any condition prevents the operation of one or more of the Facilities or any portion thereof at any time for more than thirty (30) consecutive days, the Management Fee shall be adjusted on a pro rata basis by determining the total number of parking spaces affected as a percentage of the total number of parking spaces under management under this Agreement, and reducing the Management Fee otherwise due by an equivalent percentage, commencing from the expiration of such 30-day period and continuing until the earlier of (i) date the condition affecting the Facility or Facilities has been abated and normal operations of the Facilities has resumed or (ii) the termination of this Agreement. This paragraph shall not apply to the deletion of a Facility under **Appendix A, Section 1.5** of this Agreement.

1.7 Limitations on Payment of Fees. The City's obligation for payment of Management Fees and reimbursement of Operating Expenses claimed by Manager in the performance of this Agreement shall not exceed the amount listed in the line item in the Approved Budget for each such fee or expense identified by Manager as the source for reimbursement under the Approved Budget. The City's obligation for payment of Management Fees and reimbursement for Operating Expenses in the aggregate shall not exceed the total Approved Budget for these items, unless pre-approved by the SFMTA in writing.

1.8 Guaranteed Maximum Costs. The City's obligation hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by City ordinances governing emergency conditions, the SFMTA or the City and their employees and officers are not authorized to request Manager to perform services or to provide materials, equipment and supplies that would result in Manager performing services or providing materials, equipment and supplies that are beyond the scope of the services, materials, equipment and supplies agreed upon in this Agreement (unless this Agreement is amended in writing and approved as required by law to authorize the additional services, materials, equipment or supplies). The SFMTA is not required to reimburse Manager for services, materials, equipment or supplies that are provided by Manager that are beyond the scope of the services, materials, equipment and supplies agreed upon in this Agreement and which were not approved by a written amendment to this Agreement lawfully executed by the SFMTA.

(1) Approval Required For Additional Funding. The SFMTA, the City and their employees and officers are not authorized to offer or promise to Manager additional funding for this Agreement that would exceed the maximum amount of

funding provided for herein for Manager's performance hereunder. Additional funding for this Agreement in excess of the maximum provided in this Agreement shall require lawful approval by the SFMTA and certification by the Controller. The City is not required to honor any offered or promised additional funding that exceeds the maximum that has been certified by the Controller and approved by the SFMTA.

(2) Payments Must Be Authorized. The Controller and Director are not authorized to make payments on any contract for which funds have not been certified as available in the budget or by a supplemental appropriation.

Appendix C
Maintenance Standards and Form of Maintenance Schedule

The goal of the SFMTA is to provide the public, at all times, safe, clean, sanitary, well-lighted, and efficient facilities. The following maintenance standards are designed to achieve this goal.

1. Lighting. All lights must be in working order and bright enough to convey a sense of safety, especially in and around stairways and restrooms. Burned-out bulbs or lamps must be replaced within twenty-four (24) hours. Non-working fixtures must be repaired or replaced with energy efficient fixtures within seventy-two (72) hours. Bulbs or lamps must be secured and must be the same color. Emergency lights must be inspected at least once each month and non-operating battery packs must be changed within one (1) week.

2. Walls & Fences. All walls must be kept clean and free of stains, dirt and graffiti. Special attention shall be given to restrooms and their surrounding areas. Graffiti must be removed or painted over within forty-eight (48) hours. Black marks from bumpers must be painted over as needed but, in no event, not less than once a month.

3. Odors. Foul odors must be removed within twenty-four (24) hours. Special attention shall be given to walkways, restrooms and their surrounding areas. Stairwells and sidewalks must be steam cleaned as needed but, in no event, not less than once a month.

4. Cleaning. The entire Facility must be cleaned daily, including interior and exterior walkways, restrooms, parking areas and sidewalks. Parking areas and Facility floors must be swept, grease and oil must be removed, foul odors must be deodorized, pigeon droppings must be removed, and all litter must be removed.

5. Steam Cleaning. Steam cleaning of each facility in its entirety shall be performed on a semi-annual basis. At the discretion of the Director, steam cleaning may be required to be performed less frequently if the facilities, including interior walkways, are maintained in a clean and orderly state.

6. Ventilation Equipment (if applicable). Thorough cleaning of all ventilation system supply and exhaust vents shall be performed on a semi-annual basis.

7. Windows (where applicable). All windows, mirrors and glass cases must be cleaned as needed but, in no event, not less than once a month. All windows visible to the public must be inspected daily and cleaned as needed.

8. Signs. Signs must be easily understood and professionally made; not hand printed or copy machine reproduced. Manager will be allowed to post nonprofessional signs only in case of an emergency, but the emergency signs must be replaced within one week. Signs must also be repaired or replaced promptly when damaged.

9. Plants. Landscaping at each garage, and the Manager's requirements for care, should be outlined for every garage and facility. Selection of plants, etc. requires approval of the SFMTA

10. Safety Equipment. Equipment including fire alarm call boxes, fire extinguishers, and fire hose units must be maintained in good working order and inspected at least once a month. Closed circuit cameras and the intercom system must be inspected at least once a week.

11. Structural Inspections. Structural inspections, including water leaks, exposed rebar, concrete cracks and metal rust must be performed not less than once a year.

12. Sidewalk Inspections. Inspections of the sidewalks abutting the Facility for the presence of any sidewalk tripping hazards, including tree planting areas not at sidewalk grade, must be performed once a month. In the event any hazards are observed, such hazards shall be reported immediately to the Director.

13. Other Work. All other ordinary maintenance and repair work of the premises and equipment shall be done as needed.

14. Instructions. The SFMTA reserves the right to instruct Manager to clean or repair any item which falls under the category of routine maintenance and repair.

If the maintenance standards are not followed, the SFMTA may give written notice and the work must be completed within seventy-two (72) hours thereafter. Nonperformance may result in the SFMTA causing such work to be done at the expense of Manager. Repeated instances of nonperformance will result in Manager being deemed ineligible to bid on future SFMTA Management Agreements.

FORM OF MAINTENANCE SCHEDULE

[Parking Facility Name]

Lights	**Daily**	**Weekly**	**Monthly**	**Quarterly**	**Semi-Annually**	**Annually**
Inspect lights	X					
Replace burned-out bulbs	X					
Inspect broken fixtures	X					
Replace discolored covers	X					
Cleaning						
Elevator areas	X					
Stairwell areas	X					
Bathroom & lobbies	X					
Parking areas	X					
Pick up litter	X					
Cashier booths/stations	X					
Windows	X					
Steam clean stairwells			X			
Ventilation vents				X		
Steam-clean garage					X	
Painting						
Paint over graffiti	X					
Paint over foreign marks		X				
Touch-up				X		
Inspect striping				X		
Elevators (if applicable)						
Inspect elevator operations	X					
Professional periodic maintenance					X	
Professional inspection						X
Landscaping						
Inspect irrigation system				X		
Remove weeds		X				
Prune trees and plants					X	
Signs						
Inspect signs	X					
Repair/replace damaged signs		X				
Mechanical						
Doors open and lock properly	X					
Inspect parking equipment	X					
Inspect HVAC operations				X		
Safety						
Inspect emergency lights	X					
Inspect exit lights	X					
Inspect sidewalks	X					
Inspect fire alarm/equipment	X					
Inspect/Service closed-circuit camera system				X		
Structural						
Inspect for water leaks		X				
Inspect floors for exposed rebar				X		
Inspect concrete for cracks				X		
Inspect metal for rust				X		

Appendix D

Parking Facility Operation and Management Regulations

Effective Date: February 1, 2023

Approved: Ted Graff, Director of Parking

TABLE OF CONTENTS

1. DEFINITIONS 2

2. SCOPE AND APPLICATION 9

3. DUTIES OF MANAGER 8

4. EQUIPMENT AND CAPITAL IMPROVEMENTS 18

5. MAINTENANCE AND REPAIRS 19

6. FISCAL DUTIES AND MATTERS 21

1. DEFINITIONS

For purposes of these Regulations and any Facility Management Agreement between a Manager and (1) the San Francisco Municipal Transportation Agency ("SFMTA") and/or the Parking Authority of the City and County of San Francisco (Parking Authority), or (2) a nonprofit Corporation that has leased one or more parking garages from the City and County of San Francisco (City) that is subject to these Regulations, initially capitalized terms shall have the meaning ascribed to them in this Section 2 unless otherwise specified.

1.1 "Advertising Revenue" means any revenue generated under an agreement between the City and County of San Francisco and an advertising vendor (currently Titan Outdoor LLC), for advertising on SFMTA vehicles and other property.

1.2 "After Hours Exit Fee" means the fee charged by a Manager to a customer to retrieve a vehicle from a Facility after the Facility has closed.

1.3 "Agency/Corporation" means either the SFMTA when used in reference to a Management Agreement between a Manager and SFMTA, or a Corporation when used in reference to a Management Agreement between a Manager and a Corporation.

1.4 "Agents" means the officers, directors, employees, agents, contractors, licensees and subtenants of a referenced Party, and their respective heirs, legal representatives, successors and assigns.

1.5 "Management Agreement" means an agreement under which a Facility Manager agrees to operate and manage any Facility that is under the jurisdiction of the San Francisco Municipal Transportation Agency or the Parking Authority of the City and County of San Francisco, including any such Facility leased to a Corporation.

1.6 "Banking Day" means any day which is not a Saturday or Sunday or a day on which banking institutions are authorized or required by law or by the Federal Reserve System to be closed in San Francisco, California for commercial banking purposes.

1.7 "Budget" (also **"Approved Budget"**) means the itemized annual projection of individual Facility gross revenues, authorized capital expenditures and authorized operating expenses prepared by Manager and requiring approval by the SFMTA as set forth in these Parking Facility Regulations.

1.8 "Carpool" means a vehicle containing three or more people upon first entry into a Facility.

1.9 "City" means the City and County of San Francisco, and its departments and agencies, and officers and employees. For purposes of these regulations, "City" shall also include the Parking Authority of the City and County of San Francisco.

1.10 "Controller" means the Controller of the City.

1.11 "Corporate Manager" means the Manager of a Corporation or his or her designee.

1.12 "Corporation" means a non-profit public benefit corporation, formed to assist the City and SFMTA or its predecessors in the operation and management of one or more Facilities, which are leased from the City.

1.13 "Credit Card Data" and "Credit Card Information" means the Primary Account Number (PAN), credit card number, Credit Card Verification Code (CCV), Credit Card Expiration date and cardholder name associated with a credit card or credit card account.

1.14 "Director" means the Director of Transportation or his or her designee.

1.15 "Director/Corporate Manager" means either the Director when used in reference to a Management Agreement between a Manager and SFMTA, or the Corporate Manager when used in reference to a Management Agreement between a Manager and a Corporation.

1.16 "Environmental Laws" means any present or future federal, state or local Laws or policies relating to Hazardous Material (including, without limitation, its use, handling, transportation, production, disposal, discharge or storage) or to human health and safety, industrial hygiene or environmental conditions in, on, under or about the Facilities, the Land or any other property, including, without limitation, soil, air and groundwater conditions.

1.17 "Facility" means the land and all improvements of the City-owned or administered off-street parking garages and lots, including any such garage leased to a Corporation, as well as the land and all improvements of any off-street parking garages owned or otherwise controlled by the Parking Authority described in a Management Agreement.

1.18 "Facility Regulations" means these Parking Facility Operation and Management Regulations promulgated by the SFMTA, as amended from time to time.

1.19 "Fiscal Year" means the period beginning July 1 and ending June 30, except in the case of a Management Agreement with certain non-profit parking corporations, in which case, "Fiscal Year" shall mean May 1 and ending April 30.

1.20 "Gross Revenues" means all revenues, from whatever source, but excluding any Advertising Revenues generated by the SFMTA Advertising Contract, received by a Manager or any subcontractor or vendor, from the operation of any Facility and from any income-generating activity carried on therein, including, but not limited to, the following: (1) revenues received from the operation of the Facility for daily and monthly parking of vehicles therein; (2) revenue paid to a Manager in connection with any ancillary services provided at or in connection with any Facility as may be approved by the Agency/Corporation under *Section 3.1* of these Facility Regulations; (3) the selling price of all merchandise or services sold or otherwise provided for exchange in, on, or about the Facility in the ordinary course of business by Manager except any returned merchandise; (4) all charges or claims of credit of any character made by Manager or a vendor under contract to Manager or otherwise under Manager's control for the rendering of any service or work of any kind conducted in, on, about or from the Facility; (5) the gross amount of all deposits forfeited by Facility customers and retained or received by Manager in connection with the operation of the Facility, all After Hours Exit Fee charges, all valet no-key charges, and all refundable deposits subsequently returned to the depositor; (6) all interest or investment earnings received from the Gross Revenues deposited in the Revenue Account; (7) commercial rents and fees collected for display and storage rental, and/or other commercial uses approved in accordance with *Section 3.1* of these Facility Regulations; (8) the value of any in-kind services received by the Manager in exchange for a benefit derived from the use of the Facility; and (9) the amount of all Parking Taxes payable from the operation of the Facility.

1.21 "Grace Period" means the limited periods and specific conditions during which the otherwise applicable Parking Rates shall not be charged. These conditions are: (1) a turnaround (immediate in/out) upon entry into a Facility, (2) the time between when payment is made at a pay station or central cashier location and when the vehicle exits the Facility, and (3) when a customer is paying a Parking Rate calculated by a defined increment of time and the time on the Parking Ticket shows that the customer has exceeded the last full increment of parking. Specific time increments for each category of Grace Period are set forth in *Section 3.2(c)* of these Facility Regulations.

1.22 "Hazardous Material" means any material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health, welfare or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA," also commonly known as the "Superfund" law), as amended, (42 U.S.C.

Sections 9601 et seq.) or pursuant to the Carpenter-Presley-Tanner Hazardous Substance Account Act, as amended, (Cal. Health & Safety Code Section 25300 et seq.) or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of any existing improvements on the Land, any improvements to be constructed on the Land by or on behalf of Manager or the City, or are naturally occurring substances on, in or about the Land; and petroleum, including crude oil or any fraction thereof, and natural gas or natural gas liquids.

1.23 "Hazardous Material Claims" means any and all enforcement, Investigation, Remediation or other governmental or regulatory actions, agreements or orders threatened, instituted or completed pursuant to any Environmental Laws, together with any and all Losses made or threatened by any third party against the City, its Agents, or the Land, a Facility or any Improvements, relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence, release or discharge of any Hazardous Materials, including, without limitation, Losses based in common law. Hazardous Materials Claims include, without limitation, Investigation and Remediation costs, fines, natural resource damages, damages for decrease in value of the Land, a Facility or any Improvements, the loss or restriction of the use or any amenity of the Land, a Facility or any Improvements, and attorneys' fees and consultants' fees and experts' fees and costs.

1.24 "Holiday" means those days on which the following holidays are celebrated in California: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

1.25 "Invitees" means the clients, customers, and invitees to the Facility.

1.26 Investigation" when used with reference to Hazardous Material means any activity undertaken to determine the nature and extent of Hazardous Material that may be located in, on, under, or about the Land, a Facility and any other improvements or any portion thereof or which have been, are being, or threaten to be released into the environment. Investigation shall include, without limitation, preparation of site history reports and sampling and analysis of environmental conditions in, on, under or about the Land, a Facility or any other improvements.

1.27 "Land" means the land on which a Facility is located.

1.28 "Law" means any law, statute, ordinance, resolution, regulation (including these Facility Regulations), proclamation, order or decree of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over a Facility, the Land, Manager's operations or employees or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties.

1.29 "Losses" means any and all claims, demands, damages, liens, liabilities, penalties, fines, lawsuits and other proceedings, judgments and awards rendered therein, and costs and expenses including but not limited to reasonable attorneys' fees and costs arising from any injury to or death of any person (including employees of Manager) or damage to or destruction of any property (including the Facility) occurring in, on, or about the Facility premises, or any part thereof, from any cause whatsoever.

1.30 "Management Fee" means the amount set forth in a Management Agreement as compensation for operation and management of one or more Facilities.

1.31 "Manager" for purposes of these Regulations means any entity that is party to a Management Agreement with the SFMTA or a Corporation for the management of one or more Facilities. When used in a Management Agreement, "Manager" shall mean the entity that is a party to that Management Agreement and is responsible for the management and operations of the Facility/ies named in the Management Agreement.

1.32 "Merchant Account" is a type of bank account that allows businesses to accept payments in multiple ways, typically debit or credit cards. A merchant account is established under an agreement between an acceptor and a merchant acquiring bank for the settlement of payment card transactions. In some cases, a payment processor, independent sales organization (ISO), or member service provider (MSP) is also a party to the merchant agreement. Whether a merchant enters into a merchant agreement directly with an acquiring bank or through an aggregator, the agreement contractually binds the merchant to obey the operating regulations established by the card associations.

1.33 "Merchant of Record" is the organization that accepts payment for goods or services, which an acquiring bank (i.e., the financial institution that processes the customer's credit and/or debit card payments) will hold financially liable for all full and partial returns to the customer's card as well as any chargebacks initiated by the customer. For purposes of these Regulations, a Manager shall be the Merchant of Record in any transaction in which a credit card is used to pay parking fees or other charges ancillary to parking in a Facility.

1.34 "**Monthly Credential"** means either an access card (electronic key card used to access a Facility) or Automatic Vehicle Identification (AVI) windshield tag (which is a passive Ultra high frequency (UHF) ID-tag used to access a Facility) issued to users, as set forth in these Regulations.

1.35 "Monthly Report" shall have the meaning given such term in *Section 6.8* of these Regulations.

1.36 "New Account Activation Fee" means the non-refundable amount charged to activate a new monthly customer's Access Card based on the Parking Rates set in accordance with *Section 3.2(a)* of these Regulations.

1.37 "Occurrence" means an accident, theft, damage or other event of loss giving rise to a claim against the insurance policies described in an Agreement.

1.38 "Operating Expenses" means actual costs, with detailed and definitive documentation, to Manager without mark-up that are directly associated with performance of Manager's obligations under a Management Agreement for: (1) salaries, payroll taxes, workers' compensation and other payroll expenses; (2) utility services; (3) repair and maintenance of equipment, furnishings and painted surfaces; (4) routine maintenance and repair, and for cleaning of the Premises, including, without limitation, expenses related to vandalism or other damage to gates, equipment, supplies or the Premises; (5) parking tickets, supplies and equipment; (6) license and permit fees not related to an alteration of the physical plant of a Facility; (7) Garage Keeper's Liability and all other insurance required by a Management Agreement; (8) the cost of any bonds required by a Management Agreement, but only to the extent that such bonds protect only the City's or the Corporation's interests; (9) pre-approved deductible amounts paid in accordance with any insurance policy required by a Management Agreement except as excluded in (b) below; (10) sales taxes and all other taxes resulting from operation of the Premises, except Parking Taxes, (11) real property taxes and possessory interest taxes; (12) courier deposit services, (13) settlements for claims against a Manager that are not paid by insurance carriers and do not result from Manager's negligence or willful misconduct, (14) pre-approved credit-card fees related to Facility revenues processed by a third-party gateway/merchant-services provider under contract with the Manager, and (15) all other costs and expenses of Manager that are approved by the SFMTA and, if required, by the Corporation. Operating Expenses shall not include: (a) penalties or fees resulting from Manager's late payment of taxes, bills, or other charges; (b) insurance deductibles or other payments or costs resulting from theft, employee negligence, dishonesty, or other acts of malfeasance; (c) Manager's overhead costs that are not directly attributable to its operation of a Facility; (d) attorneys fees or costs incurred in connection with any dispute with the City or a Corporation; or (e) costs to repair damage to a Facility resulting from Manager's and/or Manager's employees' willful, intentional or grossly negligent acts.

1.39 "Parking Authority" means the Parking Authority of the City and County of San Francisco.

1.40 Parking Authority Commission" means the Commission of the Parking Authority of the City and County of San Francisco.

1.41 "Parking Rates" means the fees, including any variable rates imposed to regulate occupancy levels, set by the SFMTA to be charged by a Manager and

collected from customers parking vehicles in a Facility. The Parking Rates are set in accordance with *Section 3.2* of these Regulations.

1.42 "Parking Taxes" means the Tax on Occupancy of Parking Space in Parking Stations, as imposed by Article 9 of the San Francisco Business and Tax Regulations Code, beginning with Section 601 thereof, and any successor ordinances or amendments thereto, or any other federal, state or local tax or fee imposed on the occupancy of parking spaces.

1.43 "Parking Ticket" means the record provided by the Manager to the customer setting forth the time and date that the customer's vehicle entered the Facility that is used by the Manager to determine the Parking Rate due from the customer.

1.44 "Party" means the Agency/Corporation or a Manager; "Parties" means both the Agency/Corporation and the Manager.

1.45 "PCI DSS" means Payment Card Industry Data Security Standards, a proprietary information security standard for organizations that handle branded credit cards from the major card schemes including Visa, MasterCard, American Express, Discover, and JCB that all users, processors, and banks utilizing credit cards must follow, as mandated by the card brands and administered by the Payment Card Industry Security Standards Council. PCI DSS requirements are set out at https://www.pcisecuritystandards.org. See *Section 6.3* of these Regulations.

1.46 "Premises" means the Land on which a Facility is located and improvements upon those lands.

1.47 "Release" when used with respect to Hazardous Material means any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside a Facility or any other improvements constructed hereunder by or on behalf of Manager, a Corporation or the City, or in, on, under or about the Land or a Facility or any portion thereof.

1.48 "Remediation" when used with reference to Hazardous Material means any activities undertaken to clean up, remove, contain, treat, stabilize, monitor or otherwise control Hazardous Materials located in, on, under or about a Facility, the Land or which have been, are being, or threaten to be Released into the environment. Remediation includes, without limitation, those actions included within the definition of "remedy" or "remedial action" in California Health and Safety Code Section 25322 and "remove" or "removal" in California Health and Safety Code Section 25323.

1.49 "Revenue Account" means the account into which a Manager is required to deposit Gross Revenues in accordance with *Section 6.5* of these Regulations.

1.50 "San Francisco Municipal Transportation Agency" or "SFMTA" means the Municipal Transportation Agency, an agency of the City and County of San Francisco established by San Francisco Charter Article VIIIA, a successor the former Department of Parking and Traffic, and any successor agency to the SFMTA.

1.51 "SFMTA Property" means supplies, equipment and furnishings required for performance of the management and supervision services in the operation of a Facility, including but not limited to, maintenance and cleaning equipment, tools, office and accounting equipment and office furnishings.

1.52 "Stored Vehicle" means a vehicle parked continuously for more than seven (7) days in a Facility.

1.53 "Tax Collector" means the Tax Collector of the City.

1.54 "Term" means the period in which a Management Agreement is in effect, commencing on the Effective Date and terminating on the last day of the Management Agreement's Term, unless extended or earlier terminated.

1.55 "Treasurer" means the Treasurer of the City.

1.56 "Valet Parking" means parking of customer vehicles by a Manager.

1.57 "Valet Assisted Parking" means parking of customer vehicles by customers as directed by a Manager.

2. SCOPE AND APPLICATION

2.1 These Facility Regulations shall apply to the management and operation of any off-street parking garages or lots (collectively, "Facilities") owned by the City and County of San Francisco, the SFMTA or owned or otherwise controlled by the Parking Authority of the City and County of San Francisco, which are subject to a Management Agreement between the SFMTA or a Corporation and a Manager. The effective date of these regulations shall be February 1, 2023, or upon the effective date of the garage management contracts awarded from the SFMTA's Request for Proposals, dated January 27, 2022, whichever date is later.

2.2 In the event of a conflict between the terms of these Facility Regulations and the terms of any Management Agreement subject to these Regulations, the terms of these Regulations shall control.

2.3 Any deviation by the Manager of a Facility from the procedures outlined in these Facility Regulations must be pre-approved, in writing, by the Agency (and Corporation, if applicable).

2.4 These Facility Regulations may be amended by the Director following notice and an opportunity to comment. SFMTA shall provide notice in writing to all Managers Corporations.

2.5 Waiver. The omission by either party to a Management Agreement subject to these Facility Regulations at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions of the Management Agreement or these Facility Regulations 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. No waiver of any of the provisions of such Management Agreement or these Facility Regulations shall be effective unless in writing and signed by an authorized representative of the party (City, Corporation or Manager), and only to the extent expressly provided in such written waiver. No waiver shall be deemed a subsequent or continuing waiver of the same, or any other, provision of the Management Agreement or these Facility Regulations.

3. DUTIES OF MANAGER

3.1 General Operational Duties. A Manager shall (i) supervise the proper and efficient parking of all vehicles utilizing each Facility, (ii) maximize the accessibility and safe use of the space available in each Facility, (iii) use best efforts to maximize the revenues generated by each Facility, (iv) maintain the Facilities assigned to it in overall professional and clean manner, (v) provide quarterly surveys of rates and operating policies in of other parking facilities (garages and lots) located within a distance to be determined by the SFMTA for each Facility assigned to it, and (vi) manage the parking of vehicles in each Facility using best practices and in a professional manner. In addition to the foregoing general duties, a Manager shall be responsible for the following specific duties:

(a) Daily Parking. A Manager shall charge, collect and deposit (in accordance with *Section 6.5* below) the daily Parking Rate from all daily users of each Facility and shall collect and account for all issued tickets, as well as any transient parking transactions that do not involve issuance of a parking ticket. A Manager shall provide each customer with a machine-generated receipt as mandated by Article 22 of the San Francisco Business and Tax Regulations Code. A Manager shall establish and maintain a Parking Ticket system for daily users of each Facility in a form prescribed and approved by the City and in accordance with all Laws. A Manager shall procure all Parking Tickets to be issued at the Facilities, which is a reimbursable expense. A Manager shall issue a Parking Ticket from the ticket dispenser to the operator

of each vehicle entering each Facility unless the vehicle operator enters using a valid monthly access card, prepaid debit card, or other authorized means of prepayment or entry. The Manager, employees of the Manager and all vendors performing work at the Facilities must be issued a ticket; Garage employees and vendors shall not enter a Facility without pulling a ticket. Each parking ticket that is issued shall be date and time stamped to indicate arrival and departure of the vehicle and shall also be stamped upon payment with the charged amount, as mandated by Article 22 of the San Francisco Business and Tax Regulations Code. The operator of each vehicle for which a Parking Ticket is issued shall pay the current posted Parking Rate, as amended from time to time by the SFMTA Board of Directors. In accordance with Section 2218 of Article 22 of the San Francisco Business and Tax Regulations Code, a Manager shall maintain, in San Francisco, all paid Parking Tickets, and all log files and journal tapes generated by the revenue control equipment for a period of not less than five (5) years.

(i) Altered Parking Tickets. Any alteration to the dates or times of occupancy or charge different from the applicable posted rate must be approved by a Facility Manager who must state in writing on the Parking Ticket the reason for the change. Any changes made without such approval and written explanation shall be disregarded, and the Parking Ticket shall be deemed to have been collected in accordance with the date and time of entry and exit stamped on the Parking Ticket and the current Parking Rate approved by the SFMTA Board of Directors, and such amount shall be included in the Gross Revenues due and remitted to the Agency/Corporation in accordance with the requirements of *Section 6.6* of these Facility Regulations, whether or not such amount is actually received by the Manager from the customer.

(ii) Lost Parking Tickets. In the event that a customer should claim to have lost their parking ticket, the following procedure and rules shall apply.

1. The Manager shall verify when the vehicle entered the Facility using the License Plate Recognition (LPR) system. Manager will then create a new ticket and charge the actual cost based on the length of stay and the posted rates at the Facility.

2. For each lost Parking Ticket, the Manager shall include the amount for lost Parking Tickets specified in the current Parking Rate approved by the SFMTA Board of Directors in the Gross Revenues due to the Agency/Corporation in accordance with the requirements of *Section 6.6* of these Facility Regulations, whether or not such amount is actually received by the Manager from the customer.

(iii) Other Irregular Parking Tickets. Any other Parking Tickets for which payment is not received and remitted in accordance with the applicable posted rate and the date and time of entry and exit (including a Parking Ticket that is issued, but for which there is no record of payment) shall be treated as a lost Parking Ticket and the Manager shall be deemed to have collected the amount for a Lost Parking Ticket specified in the current Parking Rates approved by the SFMTA Board of Directors, and such amount shall be included in the Gross Revenues due to the Agency/Corporation in accordance with the requirements of *Section 6.6* of these Facility Regulations, whether or not such amount is actually received by the Manager from the customer.

(iv) Exception for Certain Service Vehicles. A Manager shall provide free parking for law enforcement, fire, emergency medical services vehicles, and vehicles engaged in providing services to a Facility, for up to 30 minutes as set forth below. A Manager shall maintain a log detailing all vehicles allowed to enter and exit a Facility under this paragraph. The log shall include entry time, exit time, the name of the agency or company operating the vehicle, the driver's name, a case number if applicable, and, except for unmarked law enforcement vehicles, a vehicle license number.

a. Law Enforcement, Fire, and other Emergency Response Personnel. Parking for a maximum of 30 minutes, while on duty and actually conducting an inspection of the Facility, or responding to an incident at the Facility, or a call for assistance from the Facility staff or a customer.

b. Service Providers. For delivery and pick-up vehicles of vendors servicing a Facility, tow trucks and other vehicles providing emergency services to stranded motorists inside the Facility, parking for a maximum of 30 minutes while actually providing services to or at the Facility.

(v) Exception for Vehicles Reported Stolen. A Manager shall provide free parking, after receiving advance written approval from SFMTA, for vehicles reported to law enforcement as stolen, pursuant to the following conditions:

a. Vehicle is claimed by the registered owner, or an alternate party approved in advance by SFMTA.

b. Manager is provided a copy of the police report showing the vehicle was reported stolen. No parking charge shall apply beginning on the date the report was filed. Parking charges shall

apply from the date the vehicle entered the facility up until the date it was reported stolen, if these two dates are not the same.

c. From the time that Manager and the registered owner communicate and confirm the owner's vehicle is at the facility, the owner shall have eight (8) hours to retrieve the vehicle before parking charges shall begin to accrue. If owner does not retrieve the vehicle until more than eight (8) hours following notification by Manager, then Manager shall collect parking charges according to the posted Parking Rates for all additional hours that the vehicle remained in the facility.

(b) Monthly Parking (applicable only to Facilities providing monthly parking).

(i) A Manager shall require all monthly users to execute an agreement and release of the SFMTA, the form of which must be pre-approved by the Director. Manager shall collect a New Account Activation Fee for each new Monthly Credential activated under an account. Group accounts shall pay the fee for each Monthly Credential. A Manager shall collect all monthly parking fees no later than the final day of each month or, in months where the final day of the month falls on a weekend, no later than the next business day (due date), for parking privileges during the following month. A Manager shall assess a late charge (as set forth in the Schedule of Parking Rates approved by the SFMTA Board of Directors) to monthly users who fail to pay their monthly parking fee for the forthcoming month by the due date. Manager shall start assessing such late charges on the second day after the due date. Manager shall provide a system allowing for online sign-up and payment of fees by monthly parkers.

(ii) If a monthly user has not paid his or her monthly parking fee by the close of business on the due date for parking privileges for the following month, a Manager shall deactivate the Monthly Credentials of such delinquent monthly users so that the Monthly Credential is invalid by no later than 12:00 Noon on the first day after the due date. Delinquent monthly users may reactivate Monthly Credentials by paying a late charge (or such other amount as may be set by the SFMTA in the Parking Rates), in addition to the delinquent monthly fee, to the Manager. On a multi-card account, Manager shall charge the late fee for each individual Monthly Credential on the account. The late charge shall be assessed starting on the second day after the due date.

(iii) A Manager shall require a monthly user whose Monthly Credential is deactivated to take a Parking Ticket to enter the Facility. In such a case, upon the approval of a Portfolio Manager/Assistant Portfolio Manager or Facility Manager/Assistant Facility Manager, the Manager shall void the monthly user's Parking Ticket, and re-activate the Monthly Credential immediately upon payment of the monthly fee and late charge. On the 15th of each month, a Manager shall cancel the accounts of all monthly users whose monthly parking fee remains unpaid for the current month. Any user whose account has been cancelled shall lose all seniority at the facility. If the user wishes to re-establish a monthly account at the Facility,

he or she must pay the activation fee required to open a new account. If a waiting list exists for monthly parking at the Facility, Manager shall put his or her name at the bottom of the list. A Manager shall supervise and control the billing and collection of the approved monthly Parking Rate and shall establish a security access system for monthly users. A Manager shall collect the one-time New Account Activation Fee for each new customer. For any lost or destroyed Monthly Credentials, a Manager shall reissue a new Monthly Credential and shall collect a charge for the lost or destroyed Monthly Credential in accordance with the current approved Parking Rates.

(iv) A Manager may void the transient Parking Ticket of a monthly user who has been issued a Parking Ticket to enter the Facility as a result of the user forgetting his or her Monthly Credential or where the Monthly Credential is not working (that is, the card does not activate the gate). Manager shall maintain a log of all such Parking Tickets voided on behalf of monthly parkers, and Manager shall require the Portfolio Manager/Assistant Portfolio Manager or on-site Facility Manager/Assistant Facility Manager to review and approve this log on a daily basis.

(v) From time to time, the Director may determine the maximum number of monthly parking agreements that shall be permitted in a Facility. A Manager shall deposit any amounts collected from monthly customers, including amounts for New Account Activation Fees, late charges or charges for reissuance of a new Monthly Credential into the Revenue Account no later than the next Banking Day after such amounts are collected, unless an alternate deposit schedule is approved in advance by the Director. A Manager shall keep a written record containing the names of all monthly users along with their Monthly Credential number, parking commencement date, and date each payment is received and transferred to the Revenue Account, parking termination date and amount of deposit refund.

(c) Validated Parking. Validated Parking procedures shall be established by Manager in writing and approved in writing by the Director. Said procedures will include an information brochure or letter as the case may be that can be used to promote and or explain the Validated Parking procedures to area merchants and businesses. The brochure or letter shall also include an itemized list of all charges to be assessed as a part of the program. All such charges assessed by the programs will be in accordance with the most recently approved Schedule of Parking Rates approved by the SFMTA.

(d) Valet and Valet Assist Parking. When and as directed by the Director/Corporate Manager, a Manager shall provide for Valet Parking and/or Valet Assisted Parking in a Facility.

(e) Other Services. A Manager shall perform such other acts and duties as are required under the terms of the Agreement and shall perform such other management and supervisory functions related to the operation of the Facilities as the Agency (and Corporation, if applicable) may require. A Manager shall not enter into any special agreements (written or oral) with a third party to

provide Parking Rates other than the approved Parking Rates without pre-approval in writing from the SFMTA.

(f) Facility Names. Each Facility shall be operated under the name specified in the Management Agreement as the name of the Facility. The SFMTA may in its sole and absolute discretion rename a Facility.

(g) Signs and Advertising. Except for signs stating the Parking Rates and other pertinent information, and any signs required by applicable law, a Manager shall not erect any signs, billboard, advertising, displays or political endorsements at the Facilities or permit the circulation of any commercial announcements, pamphlets or circulars without the prior written consent of the Agency (and Corporation, if applicable). The Agency/Corporation shall have the right to lease or use, any or all portions of the Facilities for advertising. Such arrangements may be under separate agreements between the Agency/Corporation and any third party. Managers shall cooperate in good faith with the Agency/Corporation to support those activities.

(h) Storage Rental. A Manager shall not allow any non-vehicle property storage rental unless pre-approved in writing by the Agency (and Corporation, if applicable). If such storage rental is approved, the Manager shall require all renters to execute a rental agreement and release form, which form must be pre-approved by the Agency (and Corporation, if applicable). All collected fees shall be deposited into the Revenue Account on the day such amount is collected or the next Banking Day.

(i) Commercial Use. Except for parking, a Manager shall not permit the use of any portion of a Facility for commercial purposes without the prior consent of the Agency (and Corporation, if applicable). The Agency/Corporation shall have the right to lease any or all parts of the Facility for other commercial uses, including, without limitation, vending machines, wired and wireless telephone services and storage rentals. Such arrangements may be under separate agreements between the Agency/Corporation and any third party. Managers shall cooperate in good faith to support these activities.

(j) Vending Machines, ATMs and Telephones/Communication Devices. The installation of any vending machines, ATMs or telephones/communication devices, including internet-service devices, in a Facility must be pre-approved in writing by the Agency (and Corporation, if applicable). Once approved, a Manager may be charged with the responsibility of entering into any necessary agreements with such parties and administering such contractual relationships. Such agreements shall not exceed the term of the Management Agreement unless pre-approved by the Agency (and Corporation, if applicable), and may in any event be subject and subordinate to the Management Agreement. Such

agreements shall also be assignable to the succeeding Manager or the Agency/Corporation without additional payment or cost.

(k) Public Use of Facilities. Managers acknowledge that the public is entitled to use the Facilities, subject to the rates, charges, hours, space availability and rules of operation as set forth herein and adopted pursuant to the terms of the Management Agreement.

(l) Stored Vehicles. A Manager shall not permit Stored Vehicles to remain in a Facility except as authorized by this Section. Whenever a vehicle has been parked continuously in a Facility for longer than seven (7) days without the advance written approval of the Agency/Corporation, a Manager shall promptly determine whether, based on the vehicle license plate information, the vehicle belongs to a monthly customer of the Facility, and if so, whether all parking fees due for the vehicle are paid for the current month.

(i) In the case of a monthly customer whose parking fees are paid for the current month and whose parking agreement with the Manager prohibits parking of Stored Vehicles without the advance written approval of the Agency/Corporation, the Manager shall:

a. Attempt to contact the customer by phone and email (if provided) to determine when the vehicle will be moved. If the customer requests to leave the vehicle in place for a longer term, the Manager shall contact Agency/Corporation staff to discuss whether to approve the request.

b. If the customer does not respond, or if the Agency/Corporation denies the request, the Manager shall attempt to contact the customer by phone and email (if provided), and place a notice on the vehicle (in a form approved by the Agency) informing the customer that, consistent with the terms of the parking agreement, the vehicle must be moved within 72 hours or it will be subject to being towed.

c. If the vehicle is not moved within 72 hours, a Manager shall initiate removal of the vehicle by a licensed towing company that has been approved by the Agency.

(ii) In the case of a transient customer, or a monthly customer whose parking fees are unpaid for the current month, a Manager shall:

a. Place a notice on the vehicle (in a form approved by the Agency) informing the customer that the vehicle must be removed from the Facility within 72 hours or it will be subject to being towed.

In addition, in the case of a monthly customer with unpaid parking fees, the Manager shall attempt to contact the customer by phone and email (if provided) and provide such notice.

b. If the vehicle is not removed within 72 hours, initiate removal of the vehicle by a licensed towing company that has been approved by the Agency.

(iii) A Manager shall ensure that signage notifying customers of the seven-day parking limit is posted adjacent to all vehicle and pedestrian entrance and exit points of the Facilities. The design and language of such signage must be pre-approved by the Agency/Corporation.

(iv) A Manager shall ensure that Parking Tickets issued to transient customers include language informing customers of the seven-day parking limitation. The language to be printed on the Parking Ticket for this purpose must be pre-approved by the Agency/Corporation.

(v) If the parking charges accrued by an improperly stored vehicle are eventually waived for a vehicle owner pursuant to *Section 3.1(a)(v)* of these Regulations, Manager shall remit payment to SFMTA for the Lost Ticket fee for each day in excess of 10 days that the vehicle remained stored in the facility.

(m) Compliance with Laws. A Manager and any subcontractors of the Manager shall comply and conform with all applicable Laws, these Facility Regulations and all other governmental regulations, rules and orders, existing and as may be enacted during the Term of the Management Agreement relating to, controlling, or limiting the use and operation of the Facilities. A Manager shall secure all permits and licenses specifically required for its operation of the Facilities (copies of which shall be promptly provided to the Director/Corporate Manager) and shall not use or occupy any Facility in an unlawful, noisy, improper or offensive manner. A Manager shall use its best efforts to prevent any occupancy of the Facilities or use made thereof which is unlawful, noisy, improper or offensive or contrary to any law or ordinance applicable to the Facilities. A Manager shall not cause or maintain any nuisance in or about the Facilities and shall use its best efforts to prevent any person from doing so. Nor shall a Manager cause or allow any rubbish, dirt or refuse to be placed in the streets, sidewalks or alleys adjoining the Facilities or to accumulate in the Facilities. Further, a Manager shall use its best efforts to ensure that all customers of the Facilities comply with these Facility Regulations and any other rules, regulations, or restrictions that the Agency/Corporation or the Director/Corporate Manager may adopt during the Term of the Management Agreement.

(n) Revenue Control and Parking Receipts. A Manager shall comply with applicable provisions of the San Francisco Business and Tax Regulations Code, including but limited to Section 6.6-1 and Article 22, and any successor provisions to those laws, which require parking stations to have revenue control equipment, to provide receipts to all occupants with the exception of occupants in possession of a monthly access card, and to have certain signage, all as more fully set forth therein. Any violation of these requirements shall be deemed a breach of these Facility Regulations and the Management Agreement, and the SFMTA, the City and the Corporation shall have all rights and remedies set forth in the above Codes as well as the rights and remedies set forth in the Management Agreement, including but not limited to, the right to terminate the Management Agreement. To the extent that any provision of these Facility Regulations or the Agreement conflicts with any provision of the San Francisco Business and Tax Regulations Code or other City ordinance, that Code or the ordinance shall govern.

(o) Revenue Control System Maintenance. The PARCS (parking access and revenue control system) back-end IT setup includes elements managed by the City and other elements under control of the Manager. The SFMTA has a contract with Skidata, the PARCS vendor. SFMTA staff are responsible for ensuring Skidata is fulfilling the terms of its contract. Manager is responsible for actively collaborating with SFMTA by timely reporting to SFMTA and Skidata any maintenance and/or operational issues with the PARCS. Manager shall be responsible for reporting all PARCS maintenance and/or operational issues via email, online portal and/or telephone as directed by SFMTA. Manager shall also collaborate with SFMTA staff to accurately and comprehensively log and track all open PARCS maintenance issues. Manager shall document the reporting, and eventual resolution, of all PARCS maintenance and operational issues, using a system approved in advance by SFMTA.

(p) Revenue Protection.

(i) A Manager shall take all necessary measures, applying the highest standard of care, to ensure that all parking charges, rents, fees, and other Gross Revenues are properly collected accounted and remitted to the Agency/Corporation. The SFMTA requires that all revenue collected in cash be deposited by Manager in an approved, on-site electronic safe that records and reports all deposits and provides same-day bank deposit credit.

(ii) A Manager shall take all necessary measures, applying the highest standard of care, to ensure that Parking Tickets, including but not limited to replacement, motorcycle, early bird, flat fee, carpool, and merchant or commercial tenant validation parking tickets, are not used to defraud the SFMTA or the Corporation of Gross Revenues or otherwise convert, conceal, misappropriate, or mis-account Gross Revenues.

(q) Bicycle Parking. In accordance with San Francisco Planning Code Section 155.2, a Manager will maintain required amounts of bicycle parking in the Facility and shall make all reasonable efforts to ensure that bicycle parking within the Facility is highly visible, secure and readily available to make travel by bicycle an attractive alternative to motor vehicle use. y.

3.2 Facility Parking Rates.

(a) For all vehicles parked in each Facility, a Manager is authorized and directed to charge and collect parking fees according to the Parking Rates approved by the SFMTA for that Facility. Upon a change in the Parking Rates, the Director/Corporate Manager will give written notice to the Manager as to the new Parking Rates and their effective date(s). Upon receiving such notice, the Manager shall take such measures necessary to implement the new Parking Rates on the effective date. A Manager shall not adjust the authorized Parking Rates or collect any other rates or charges at the Facility or provide free (no charge) parking to any person except as specifically authorized by the SFMTA or as set forth in paragraphs (b) or (c) below. A Manager shall not be entitled to any further compensation or consideration because of a change in the Parking Rates. If Manager fails to implement the new rates on the directed effective date, Manager shall pay the Agency the difference between the rates actually charged and the rates that should have been charged.

(b) After Hours Exit Fee. A customer wishing to retrieve his or her vehicle at any time when a Facility is closed must either i) be a monthly parker with the proper credentials or ii) a transient parker with their ticket in hand or proof of parking in the Facility in order not to incur an additional fee. At all times when a Facility is closed to the public, a Manager shall clearly post instructions on how to retrieve their vehicle or contact the manager via the intercom, at the after-hour access door, or via a phone number. If the parker has been confirmed as a monthly parker, the Manager shall let her enter the facility to retrieve her vehicle at no additional cost. If the parker is said to be a transient parker with no proof of parking in the Facility, an additional fee shall be charged to allow the parker access to the facility. The After Hours Exit Fee shall be charged for each vehicle that is retrieved when a Facility is closed, unless staff is already on duty and Manager incurs no additional labor costs in the course of allowing the vehicle to exit. In the case that staff is already on duty, Manager may charge only the posted hourly rate, up to the time of departure.

(c) A Manager shall apply the following Grace Periods in charging and collecting parking fees according to the Parking Rates; 1) for a turnaround or immediate in/out upon entry into a garage, the Grace Period shall be between 0 and 10 minutes, as determined by the Agency, based on the design for egress of each Facility; 2) after payment is made at a pay station or central cashier location, the Grace Period shall be 15 minutes; and 3) where a customer is

paying a Parking Rate calculated by the hour and the time on the Parking Ticket shows that the customer has exceeded the last full increment of time, *there shall be no grace period*. SFMTA may, at its discretion, change the time allotment for any of the three grace period categories, following written notice to the Manager of the Facility.

(d) Unless otherwise authorized by these Facility Regulations, where a Manager provides any free or reduced rate parking to a Facility customer, the Manager shall be deemed to have collected the full amount due under the current Parking Rates approved by the SFMTA, and such amount shall be included in the Gross Revenues due to the Agency/Corporation in accordance with the requirements of *Section 6.6* of these Facility Regulations, whether or not such amount is actually received by the Manager from the Facility customer.

3.3 Emergency and Disaster Response Plan. A Manager shall maintain a current Emergency and Disaster Response Plan at each Facility in a format acceptable to the Director with a current copy to the Agency/Corporation. This plan shall consist of Emergency Procedures, contact information for the Manager, SFMTA, and Corporation (if applicable). This plan must outline procedures for employees to follow in the event of an emergency and describe a plan of action for each Alert Level defined for a specific threat or disaster.

3.4 Confidential Information Requirements. Vendor shall comply with all state and federal laws and regulations and applicable PCI DSS requirements concerning the security, maintenance, transmission and publication of Credit Card Data, license plate numbers, and other personal and confidential transaction information that may identify a patron of a Facility. Said authorities include but are not limited to applicable provisions of the federal Fair and Accurate Credit Transactions Act and the Fair Credit Reporting Act, applicable provisions the California Civil Code governing protection of personal information (including license plate data) and data security breach notification. (See Cal. Civ. Code §§ 1798.29, 1798.82, 1798.50 et seq.) A Manager or Corporation shall not release said information to any person without the express written authority of the SFMTA's Director of Parking or in response to valid court order or subpoena. Moreover, a Manager or Corporation shall not allow anyone, including law enforcement, to view video camera footage and shall not provide copies of any video camera footage or other documents concerning the Facility without a written request related to an active investigation. Manager shall immediately notify the Parking Director of written request that seeks video or other garage records. Manager shall refer to SFMTA any request to view video camera footage or to be provided a copy of such footage or to view or receive copies of any documents concerning the Facility.

3.5 Operating Manual. A Manager shall maintain at each Facility a current Operating Manual for the Facility containing Standard Operating Procedures (SOPs)

that include, but are not limited to, safety standards and procedures, cash handling procedures, customer service standards, employee training, and Facility maintenance standards. At the front of the manual kept at each facility, the Manager shall include a section for site-specific procedures that address unique features and procedures required at that specific Facility. The Manager shall provide the Agency (and Corporation, if applicable) with this manual on the execution date of the Management Agreement, and shall promptly provide the Agency (and Corporation, if applicable) with any updates. The Manager will make necessary changes to the SOP manual at the Agency/Corporation's request in order to ensure that best practices are followed.

4. EQUIPMENT AND CAPITAL IMPROVEMENTS

4.1 Ordering and Purchasing of Supplies, Equipment and Furnishings. A Manager shall provide such supplies, equipment and furnishings required for performance of the management and supervision services in the operation of the Facilities, including, but not limited to, maintenance and cleaning equipment, tools, office and accounting equipment and office furnishings. The cost of purchasing all such supplies, equipment and furnishings shall be considered Operating Expenses. All equipment, supplies and other tangible personal property paid for as Operating Expenses shall be and remain the property of the Facilities. A Manager shall be responsible for the care and safekeeping of all SFMTA and Corporation Property and shall use such property only in connection with the operation of the Facilities. Except for supplies and other property that are routinely used and consumed in the operation of a parking Facility, a Manager shall not dispose of any SFMTA or Corporation Property without the prior written consent of the Director/Corporate Manager.

4.2 Improvements. A Manager shall not make any alterations or improvements to or upon a Facility without the prior written approval of the SFMTA. The Director or the Corporation may require a Manager to implement specific capital improvements during the term of the Management Agreement. With the exception of emergency repairs, which shall require the written approval of the Director or the Corporation, any such capital improvements shall require the approval of the Director and shall be performed (i) in strict accordance with any plans and/or specifications approved in advance by the Director or the Corporation in writing, (ii) by duly licensed and bonded contractors or mechanics approved by the Director or the Corporation after the Manager obtains at least three quotes for the capital improvement work, (iii) in a good and workmanlike manner, (iv) in strict compliance with all laws and subject to all other conditions that the Director or the Corporation may impose. Prior to the commencement of any work, a Manager shall procure all required permits and approvals and shall promptly deliver copies of such approvals and permits to the Director/Corporate Manager upon request. No material change from the plans and specifications approved by Director may be made without the prior consent of the Director or the Corporation. The Director/Corporate Manager shall have the right to inspect the progress of the capital improvement work at all times. If required by the

Director/Corporate Manager, upon completion of the capital improvements, a Manager shall furnish Director/Corporate Manager with a complete set of final as-built plans and specifications. Notwithstanding anything in the Management Agreement or these Facility Regulations to the contrary, the actual costs and expenses incurred by a Manager in the performance by it of the obligations set forth in this Section shall be an Operating Expense. Upon completion of the improvement, the City shall own all capital improvements completed pursuant to this Section.

5. MAINTENANCE AND REPAIRS

5.1 Routine Maintenance and Repairs. A Manager shall maintain the Facilities in a clean, safe, sanitary and attractive condition commensurate with the standards of maintenance, repair and operation set forth in the Management Agreement. For purposes of the Management Agreement, "routine maintenance and repair work" means all ordinary maintenance and repair of the premises and equipment and replacement of supplies that are normally performed on a daily or routine basis in order to keep the Facilities in an efficient, clean and safe condition. Such routine maintenance and repair work shall include without limitation:

(a) Repairing lamps and lighting fixtures and replacing bulbs, fluorescent tubes and ballasts; replacing Parking Tickets in Parking Ticket issuing machines; maintaining and replacing, if required, arms on traffic entry and exit gates; maintaining, repairing and replacing sliding or overhead doors and gates, and roll up doors; maintaining revenue control equipment; repairing, replacing and cleaning signs; maintaining heating, ventilating and other mechanical equipment; maintaining fire alarm call boxes, extinguishers and hose boxes in good working order; maintaining plumbing in good and sanitary working order; and performing emergency maintenance and repairs as required to maintain the premises in good and safe condition.

(b) Regular cleaning of all parking areas, Facility offices, drainage systems and other portions of the Facility premises; regular washing of all windows; prompt removal of dirt, debris, oil, grease and other liquids from the parking areas, floors and stairways; regular cleaning of floors, walls and ceilings of the pedestrian areas; regular removal of accumulated trash and other rubbish; regular cleaning of the sidewalks on all sides of the Facility; regular cleaning and maintenance of the common areas and bathrooms (including trash removal); and such other cleaning as shall be required to keep the premises in a clean, safe and attractive condition.

(c) Touch-up striping of the floors and surfaces of the Facility as needed.

(d) Otherwise cleaning, repairing and painting all surfaces of the Facility (e.g. floors, walls, fences, railings, gates, etc.) as well as adjacent sidewalks, curbs

and driveways thereof as needed (particularly when such surfaces have been marred by graffiti or other forms of vandalism).

(e) Contracting for full-service elevator and/or rolling-door maintenance, if applicable, with a subcontractor acceptable to the Agency (and Corporation, if applicable).

(f) Contracting for electricity, telephone, vermin extermination, trash collection, water, sewer and any other similar utilities or services necessary to the operation of the Facility. Manager shall pay all billings for the above services when due.

(g) Steam cleaning or power washing of all sidewalks and any interior stairwells shall be performed on a quarterly basis and of each entire Facility on a semi-annual basis. At the discretion of the Director, steam cleaning may be required to be performed less frequently if the Facility, including sidewalks and stairwells, are maintained in a clean and orderly state.

(h) Prompt, daily removal of pigeon, rodent and other animal droppings from floors and all accessible surfaces.

(i) Thorough cleaning of all ventilation supply and exhaust vents shall be performed on a semi-annual basis, as applicable.

(j) Any other maintenance or repair required by the Director/Corporate Manager.

(k) Removal of graffiti within 48 hours, in accordance with the requirements of the Management Agreement.

A Manager shall perform all the foregoing maintenance duties in accordance with a maintenance schedule provided by Director/Corporate Manager. The Director/Corporate Manager shall have the right to require the Manager to perform certain duties specified in such schedule more frequently than provided therein. A Manager shall be responsible for completing the Manager's Facility Inspection Checklist provided by Director/Corporate Manager on a monthly basis and maintaining a binder of completed checklists for each Facility at the Facility at all times. Upon demand of the Director/Corporate Manager, or his or her designee, a Manager shall present such checklist binder for review.

5.2 Failure to Perform. The Director/Corporate Manager may direct a Manager to perform routine maintenance and repair work that is necessary to keep the Facility in good and clean condition and in a proper state of repair. If the Manager does not commence performance of such routine maintenance and repair work within

seventy-two (72) hours after the notice is given and thereafter diligently prosecute it to completion, the Director/Corporate Manager may cause such routine maintenance and repair work to be performed and the Manager shall pay the SFMTA's administrative expenses expended in having the routine maintenance and repair work performed.

5.3 Long-Term Maintenance and Repairs. As used in these Facility Regulations, the term "long-term maintenance and repairs" means all such maintenance and repair work that the Agency (and Corporation, if applicable) reasonably determines is extraordinary and beyond the normal routine maintenance and repair work to be performed by a Manager. The Agency/Corporation may request a Manager to seek bids for the specific project. If the Agency (and Corporation, if applicable) elects to proceed with the proposed project, the Manager shall cause the work to be done, pay for the work when it has been completed and include such reimbursement requests in the next Monthly Report. A Manager shall inform the Director/Corporate Manager of long-term maintenance or repair projects that are necessary to maintain a Facility in its current or better condition.

6. FISCAL DUTIES AND MATTERS

6.1 Annual Budget. A Manager shall, at Director/Corporate Manager's request, prepare an annual operating and capital budget ("Budget") for each Facility under management for any given period for review by Director or the Corporation. The Budget shall be in the form provided by the Director/Corporate Manager. After review, the Director/Corporate Manager may return the Budget to the Manager if budget contains proprietary information regarding the Manager.

6.2 Marketing Plan. A Manager shall, at the Director/Corporate Manager's request, prepare a marketing plan for each Facility under management, outlining the Manager's plans to market the Facility and expand business at the Facility. The Director/Corporate Manager may review the marketing plan and recommend changes.

6.3 PCI Data Security Standards.

(a) A Manager or Corporation shall manage the Facility and all transactions in accordance with PCI DSS as established by the PCI Security Standards Council ("PCI SCC"), which may be found at https://www.pcisecuritystandards.org, and as the PCI Council may update its requirements and publish them at that website. Capitalized terms in these Regulations pertaining to PCI DSS, if not defined in these Regulations, shall have the meanings provided by PCI SCC.

(b) A Manager or Corporation shall utilize business procedures and practices and data security procedures and practices that comply with the most current PCI DSS.

(c) A Manager or Corporation shall store, retain or otherwise keep Credit Card Data only to the extent necessary to identify a transaction for accounting and refund purposes. A Manager or Corporation shall not store, retain or otherwise

keep or utilize credit card data except as in accordance with PCI DSS requirements.

(d) When the Manager or Corporation services any part of the PARCS pay stations, it shall visually inspect the pay stations to discover sniffers and other unauthorized equipment and shall notify the City of any anomalies it discovers.

6.4 Merchant of Record. City shall be the Merchant of Record for cash transactions, and Manager shall be Merchant of Record for credit card transactions.

(a) *Cash Transactions* – Manager shall deposit all cash at the end of each cashier's shift into an electronic safe installed at the Facility capable of counting the cash deposited into it. Manager shall ensure the electronic-safe provider provides a service that directly electronically connects the safe count to the City's bank account, such that deposits made into the safe are immediately recognized in the City's account.

(b) *Credit/Debit Card Transactions* - As Merchant of Record for credit card revenues, Manager shall establish a processing protocol such that credit-card revenue settles directly into the City's designated bank account, with no detour to any third-party account, such that Manager adheres to the daily deposit requirements of City revenues set out in *Section 6.6* of these Regulations.

6.5 Revenue Account. The SFMTA shall provide Manger with account details of the City account that shall serve as the Revenue Account. A Manager may, however, with advance written consent from the SFMTA, establish and maintain a special account designated as the Revenue Account for each Facility. A Manager shall make daily deposits into the Revenue Account for each Facility unless an alternate deposit schedule is approved in writing by the Agency and the Office of the Treasurer/Tax Collector.

6.6 Gross Revenues and Other Monies; Deposits and Transfers of Monies. All Gross Revenues shall be the sole and exclusive property of the Agency (or Corporation if applicable), which Manager shall hold in trust and safeguard for the sole benefit of the Agency. The Manager shall have no right, title, interest, lien or set-off rights on or against any portion of the Gross Revenues. The Manager shall safeguard all Gross Revenues with the highest degree of care. The Gross Revenues shall be deposited in the Revenue Account no later than the next Banking Day after such amounts are collected unless an alternate deposit schedule is approved in writing by the Agency. A Manager shall not commingle any of Gross Revenues with its own funds. If a Manager fails to deposit Gross Revenues including Parking Taxes as specified in this Section, the Manager shall pay the Agency/Corporation interest on the amount that was not timely deposited in accordance with the late payment provisions in the Management Agreement until such time the amount is deposited in the manner prescribed in these Facility Regulations, and such payment shall not be a compensable Operating Expense. A Manager's failure to deposit Gross Revenues including Parking Taxes on a timely basis shall constitute a material breach of the Management Agreement, and a Manager's obligation to pay interest on funds not deposited shall not limit any other rights or remedies the Agency or Corporation may

have under the Management Agreement with respect to such default. A Manager shall be responsible for, and liable for any damages arising from, the secure transport and delivery of Gross Revenues in accordance with these Facility Regulations and the Management Agreement. Until monies charged and collected by the Manager on behalf of the Agency/Corporation are deposited in accordance with these Facility Regulations, the Manager shall assume all risk of loss of such monies, including, but not limited to, loss by damage, destruction, disappearance, theft, fraud, counterfeit bills/coins, or dishonesty.

6.7 Daily Accounting. Every day of operation, a Manager shall prepare a daily report ("Daily Report") for each Facility in a form approved by the Director/Corporate Manager. If requested by the Director/Corporate Manager, the Manager shall submit the Daily Reports to the Agency/Corporation on a daily basis in electronic form. All Daily Reports must be certified true and correct by the Manager. A Manager shall not modify the format of the Daily Report without the Director/Corporate Manager's prior written approval.

6.8 Monthly Report. By the 15th of each month, a Manager shall deliver to the Director/Corporate Manager a monthly report ("Monthly Report") for each Facility in a form approved by the Director. Manager shall also enter all financial information into the SFMTA's online reporting portal. The Monthly Report shall be provided in electronic format, as well as in hard copy if requested by SFMTA, and include an accounting of all Gross Revenues and a description of Operating Expenses as set forth in *Section 6.9.*

(a) For each day submittal of the Monthly Report is late, a Manager shall incur a late charge of One Hundred Dollars ($100) per Facility as liquidated damages payable to the Agency/Corporation to cover administrative costs for revenue report and projection revisions, and such late charges shall not be an Operating Expense. All submitted Monthly Reports must be certified as true, correct, and complete by the Manager. Should the Agency/Corporation detect any inaccuracies in the Monthly Reports which were not previously communicated by the Manager, the Agency/Corporation may, in its discretion and without limiting the Agency/Corporation's other rights and remedies hereunder, impose a charge of Two Hundred Dollars ($200) for each Monthly Report misreported to cover administrative costs to correct revenue reports and projections. Such charges shall be deducted by the Agency/Corporation from the next payment of the Management Fee under the Management Agreement. The aforementioned charges shall not be considered a penalty but are the reasonable cost to the Agency/Corporation incurred by the Manager's delay. The Controller, the Director or the Corporation may modify the form of the Monthly Report and change the due date of the Monthly Report.

(b) The Monthly Report shall include all usage data by customer type, marketing initiatives conducted during the month, any capital expenditures

incurred during the month and any extraordinary operational or management efforts.

(c) Manager shall also provide a Monthly Exception Report, in a format approved by SFMTA, that analyzes all manual transactions (e.g. manual gate opens from the cashier station, central control station and/or by use of key at the exit station; replacement tickets produced, including lost tickets; and any other manual overrides of rate calculation or gate vending). This report shall detail Manger's follow up on any suspicious transactions and/or pattern of transactions.

6.9 Operating Expenses.

(a) For all Operating Expenses for which a Manager seeks reimbursement, the Manager shall, for each Facility, submit monthly or as needed complete documentation, an invoice and statement listing all operating expenses for the month together with copies of all invoices, receipts or other evidence, including all operating expenses incurred since the previous invoice and statement, including all salaries, wages, payroll taxes, and benefits described in the Management Agreement, and the Manager's management fee. Each invoice, in a form approved by the Director or Corporation and the Controller, shall be accompanied by evidence of payment of all items and any other such supporting documentation evidencing such operating costs, salaries, wages, payroll taxes and benefits, workers compensation, garage keepers, and any and all other insurance coverages, as the Agency/Corporation shall require. All invoices for which a Manager is seeking payment shall:

(1) be prepared by the Manager and signed by the authorized representative of the Manager;
(2) identify the line item of the Approved Budget under which reimbursement is requested;
(3) include documentation of the quotes or bids obtained when required pursuant to paragraph (b) below;
(4) for unbudgeted expenses, include written approval of the Director, and
(5) be submitted to the Director/Corporate Manager for approval.

To qualify as an Operating Expense, the following conditions must also be satisfied:

(1) the Manager must have submitted the required documentation requested above,
(2) the expenditure must have been authorized in the Approved Budget,
(3) for both vendor expenses and professional services, the expenditure must have been made pursuant to a written agreement or purchase order executed by both Manager and the vendor/service provider; and

(4) the expenditure must have the prior approval of the Director or Corporate Manager and the Controller.

A Manager may be reimbursed for any otherwise reimbursable expense incurred during a month that exceeds the Approved Budget by no more than 5 percent without seeking prior approval from the Director/Corporate Manager, as long as such an over-budget expenditure does not occur in consecutive months. The Agency/Corporation will reimburse the Manager by electronic payment or by disbursing a check at the address specified for notice in the Management Agreement. The Agency/Corporation shall not reimburse a Manager for any interest charges or late penalties imposed on the Manager due to late payment of its bills, taxes or fees. The Director/Corporate Manager shall have ultimate approval of all Operating Expenses.

(b) In no event shall a Manager contract for or purchase any one item which exceeds One Thousand Dollars ($1,000.00) in cost or any item which costs in excess of the amount set out on the approved Budget without the prior written approval of the Director (and Corporate Manager, as applicable). Any rebate or discount obtained by a Manager in connection with the Management Agreement shall be the property of the Agency/Corporation. All expenses in excess of One Thousand Dollars ($1,000.00), including recurring expenses such as Parking Tickets, unless service is from a sole source supplier, shall be documented with three written quotes submitted for the Director's review. A Manager must receive written approval from Director (and Corporate Manager, as applicable) identifying the preferred quote before the purchase is made. For expenses anticipated to exceed Five Thousand Dollars ($5,000.00), a Manager (and Corporation, if applicable) shall consult with the Director prior to requesting any quotes, so that all procurement options may be fully considered. If a Manager determines that an emergency situation exists that requires an immediate vendor service visit, making it unreasonable and impractical to follow the above steps, the Manager shall immediately notify Agency staff through the 24/7 contact information provided to the Manager, and Agency staff shall direct the Manager how to proceed.

6.10 Parking Taxes. A Manager shall comply with the requirements imposed by Sections 6.6-1 and 6.7-1 of Article 6, and Section 604 of Article 9 of the San Francisco Business and Tax Regulations Code to collect all Parking Taxes, sales taxes and other taxes due, which shall be deposited into the Revenue Account and accounted for separately. A Manager shall submit to the Agency/Corporation with each Monthly Report a full accounting of all taxes due and payable to any third party, including any taxes due to the City. A Manager shall file with the San Francisco Tax Collector, with a copy to the Agency (and Corporation, if applicable) all required monthly Parking Tax returns. A Manager is liable for any interest or penalties incurred due to late filing of required tax returns or failure to correctly determine the tax due, which interest or penalties shall not be considered an Operating Expense or otherwise reimbursed by the SFMTA or the Corporation. A Certificate of Authority to

collect Parking Tax shall be posted in each Facility in a prominent location at all times during the Term of the Management Agreement. Manager shall remit all Parking Tax due directly to The Tax Collector. Manager shall include Parking Tax payments made as part of its monthly invoices for Operating Expenses.

6.11 Parking Tax Collection Bond. A Manager shall comply with the requirements imposed by Section 6.6-1 of Article 6 of the San Francisco Business and Tax Regulations Code, requiring Manager to post a Parking Tax Collection Bond on behalf of the City in the amount required by the Tax Collector.

6.12 Right to Audit and Inspect Records. A Manager agrees to maintain and make available to the Agency/Corporation, during regular business hours, accurate books and accounting records relating to its work under the Management Agreement. A Manager will permit the Agency/Corporation to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by the Management Agreement, whether funded in whole or in part under the Management Agreement. A Manager shall maintain such data and records in an accessible location and condition for a period of not less than three years after final payment under the Management Agreement or until after final audit has been resolved, whichever is later. The City, the State of California or any federal agency having an interest in the subject matter of the Management Agreement shall have the same rights conferred upon the SFMTA or a Corporation by this Section.

6.13 Audit. A Manager shall cooperate in audits of its books and records relating to the Facilities and the Manager's compliance with the Management Agreement. The audits shall be conducted at the direction of the Agency/Corporation or the City Controller by an auditor selected by the Agency/Corporation or the Controller. The Agency/Corporation or the Controller shall determine the scope of said audit(s), which may include but are not limited to the Manager's compliance with the terms of the Management Agreement and these Facility Regulations, determining the amount of Gross Revenues and Parking Taxes received by the Manager from the operation of the Facilities; the Gross Revenues and Parking Taxes deposited into the Revenue Account; any differences between the Gross Revenues and Parking Taxes reported and the Revenue Account deposits and audited revenues; and the form and method of the Manager's record keeping. The audits may include review of capital expenditures, operating expenses and/or compliance with any provisions of the Management Agreement and these Facility Regulations or any other item related to administration of the Management Agreement or the financial stability of the Manager, at the discretion of the Agency/Corporation.

6.14 Books and Records. A Manager shall establish and maintain at each Facility books, records and systems of account, including all records relating to Revenue Control Equipment at the Facilities in accordance with generally accepted accounting principles, consistently applied reflecting all business operations of

Manager transacted under the Management Agreement. To the extent a Manager has not complied with generally accepted accounting principles, the Director/Corporate Manager may require Manager to restate its books, records and systems of account to conform to such requirements. These books, records and systems of account shall be retained by a Manager during the term of the Management Agreement and for at least three (3) years thereafter, and shall be available at all reasonable times, with or without notice, for inspection and audit by the City, the Agency/Corporation, or their agents. Upon expiration or early termination of the Management Agreement, all such books, records and systems of account shall be delivered to the Director/Corporate Manager. All used and unused parking tickets, tapes and other records used in the operation of each Facility are owned by the Agency/Corporation but shall be retained by a Manager at the Facility unless the Director or Corporate Manager requests otherwise. Such tickets, tapes and records shall be available at all reasonable times, with or without notice, for inspection and audit by either the Director or Corporate Manager or their agents and shall not be destroyed without prior written consent from the Director or Corporate Manager.

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

IMCO Parking LLC

for

Management of the Group B Off-Street Parking Facilities

Table of Contents

Article 1: Definitions 1

Article 2: Term of the Agreement 3

Article 3: Financial Matters 4

3.1 Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation 4

3.2 Guaranteed Maximum Costs 4

3.3 Compensation 4

3.3.1 Calculation of Charges 4

3.3.2 Payment Limited to Satisfactory Services and Delivery of Goods 5

3.3.3 Withhold Payments 5

3.3.4 Invoice Format 5

3.3.5 Payment Terms 5

3.3.6 LBE Payment and Utilization Tracking System 6

3.3.7 Getting Paid by the City for Goods and/or Services 6

3.4 Audit and Inspection of Records 6

3.5 Submitting False Claims 6

3.6 Payment of Prevailing Wages 7

3.6.1 Covered Services 7

3.6.2 Wage Rates 9

3.6.3 Subcontract Requirements 9

3.6.4 Posted Notices 9

3.6.5 Payroll Records 9

3.6.6 Certified Payrolls 10

3.6.7 Compliance Monitoring 10

3.6.8 Remedies 11

Article 4: Services and Resources 11

4.1 Services Contractor Agrees to Perform 11

4.2 Qualified Personnel 11

4.3 Subcontracting 11

4.4 Independent Contractor; Payment of Employment Taxes and 12

4.4.1 Independent Contractor 12
4.4.2 Payment of Employment Taxes and Other Expenses 12
4.5 Assignment 13
4.6 Warranty 13
Article 5: Insurance and Indemnity 13
5.1 Insurance. 13
5.2 Indemnification 17
Article 6: Liability of the Parties 18
6.1 Liability of City 18
6.2 Liability for Use of Equipment 18
6.3 Liability for Incidental and Consequential Damages 18
Article 7: Payment of Taxes 19
7.1 Contractor to Pay All Taxes 19
7.2 Possessory Interest Taxes19
7.3 Withholding 20
Article 8: Termination and Default 20
8.1 Termination for Convenience 20
8.2 Termination for Default; Remedies 22
8.3 Non-Waiver of Rights 24
8.4 Rights and Duties upon Termination or Expiration 24
Article 9: Rights In Deliverables 25
9.1 Ownership of Results 25
9.2 Works for Hire 25
Article 10: Additional Requirements Incorporated by Reference 26
10.1 Laws Incorporated by Reference26
10.2 Conflict of Interest 26
10.3 Prohibition on Use of Public Funds for Political Activity 26
10.4 Consideration of Salary History 26
10.5 Nondiscrimination Requirements 27
10.5.1 Non Discrimination in Contracts 27
10.5.2 Nondiscrimination in the Provision of Employee Benefits 27
10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance 27

10.7 Minimum Compensation Ordinance 27
10.8 Health Care Accountability Ordinance 28
10.9 First Source Hiring Program 28
10.10 Alcohol and Drug-Free Workplace 28
10.11 Limitations on Contributions 28
10.12 Slavery Era Disclosure 29
10.13 Working with Minors 29
10.14 Consideration of Criminal History in Hiring and Employment Decisions 29
10.15 Public Access to Nonprofit Records and Meetings 29
10.16 Food Service Waste Reduction Requirements 29
10.17 Distribution of Beverages and Water 29
10.17.1 Sugar-Sweetened Beverage Prohibition 30
10.17.2 Packaged Water Prohibition 30
10.18 Tropical Hardwood and Virgin Redwood Ban 30
10.19 Preservative-Treated Wood Products 30
Article 11: General Provisions 30
11.1 Notices to the Parties 30
11.2 Compliance with Americans with Disabilities Act 31
11.3 Incorporation of Recitals 31
11.4 Sunshine Ordinance 31
11.5 Modification of this Agreement 31
11.6 Dispute Resolution Procedure 31
11.6.1 Negotiation; Alternative Dispute Resolution 31
11.6.2 Government Code Claim Requirement 32
11.7 Agreement Made in California; Venue 32
11.8 Construction 32
11.9 Entire Agreement 32
11.10 Compliance with Laws 32
11.11 Severability 32
11.12 Cooperative Drafting 32
11.13 Order of Precedence 33
11.14 Notification of Legal Requests 33

Article 12: SFMTA Specific Terms 33

12.1 Large Vehicle Driver Safety Training Requirements 33

Article 13: Data and Security 34

13.1 Nondisclosure of Private, Proprietary or Confidential Information 34

13.1.1 Protection of Private Information 34

13.1.2 Confidential Information 34

13.2 Payment Card Industry (PCI) Requirements 34

13.3 Business Associate Agreement 35

13.4 Ownership of City Data 35

13.5 Management of City Data and Confidential Information 35

13.5.1 Use of City Data and Confidential Information 35

13.5.2 Disposition of Confidential Information 36

13.6 MacBride Principles - Northern Ireland 36

Article 14: Included Appendices and Documents Incorporated by Reference 36

MANAGEMENT SERVICES **Error! Bookmark not defined.**

Independent Contractor **Error! Bookmark not defined.**

General Authority to Manage 1

Control Retained by the SFMTA 1

Access to Facility 1

Addition of Facilities 1

Manager's Responsibilities; Priority of Documents **Error! Bookmark not defined.**

Subcontracting and Other Parking Business Operations 2

Subcontracting Must be Authorized 2

Notification of Other Parking Business Operations 2

COMPENSATION **Error! Bookmark not defined.**

Management Fee and Reimbursement of Operating Expenses 1

Labor Costs 1

Payment Does Not Imply Acceptance of Work 1

Late Charges 2

Fees During Suspended Operations 2

Limitations on Payment of Fees 2

Guaranteed Maximum Costs 2

Approval Required For Additional Funding 2
Payments Must Be Authorized 3

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 IMCO Parking LLC Contract No. SFMTA 2021-64/2

This Agreement, dated for convenience as _____, is made in San Francisco, California, by and between IMCO Parking LLC, a California limited liability company (Contractor), and the City and County of San Francisco City, a municipal corporation, acting by and through its Municipal Transportation Agency (SFMTA).

Recitals

A. The SFMTA wishes to obtain the services of a parking operations vendor to manage and operate the City-owned parking facilities described in Attachment A as Garage Group A or B.

B. This Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through a Request for Proposals (RFP) issued on January 27, 2022, pursuant to which City selected Manager as one of the two highest-qualified parking management firms the submitted a proposal to perform the Services under this Agreement.

C. The Local Business Enterprise (LBE) subcontracting participation requirement for this Agreement is sixteen percent (16%) for Group A Garages.

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

E. The City's Civil Service Commission approved Personal Services Contract (PSC) request No. 46036-21/22 on August 15, 2022, which covers this contract.

F. The SFMTA Board of Directors approved this Agreement on _____ by Resolution No. _____and the San Francisco Board of Supervisors approved this Agreement on _____ by Resolution No. _____.

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. In addition, for purposes of this Agreement, initially capitalized terms shall have the meaning ascribed to them in the Parking Facility Operation and Management Regulations ("Facility Regulations") issued by the SFMTA, the current form of which is appended as Appendix D, except that for the purposes of this Agreement, the terms listed below shall have the following meanings

1.1 "**Agreement**" or "**Contract**" means this contract document, including all attached appendices, any future amendments, and all applicable City Ordinances and Mandatory City Requirements specifically incorporated into this Agreement by reference as provided herein.

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

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

1.4 "**City Data**" or "**Data**" means that data as described in Article 13 of this Agreement, which includes, without limitation, all data collected, used, maintained, processed, stored, or generated by or on behalf of the City in connection with this Agreement, as well as Confidential Information.

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

1.6 "**City Confidential Information**" means City information that the City identifies as confidential, which includes but is not limited to personally-identifiable information (PII), protected health information (PHI), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of part 164); and San Francisco Administrative Code Chapter 12M (Chapter 12M).

1.7 "**Contract Administrator**" means the contract administrator assigned to the Contract by the SFMTA, or his or her designated agent.

1.8 "**Contractor**" or "**Consultant**" or "Manager" means IMCO Parking, LLC.

1.9 "**C&P**" means SFMTA Contracts and Procurement.

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

1.11 "**Deliverables**" means Contractor's work product specifically developed for 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 but excluding work product in which Contractor or any vendor thereto has proprietary rights and/or has been licensed to Contractor in connection with this Agreement.

1.12 "**Director**" means the Director of Transportation of the SFMTA or his or her designee.

1.13 "**Effective Date**" means the date upon which the City's Controller certifies the availability of funds for this Agreement as provided in Section 3.1.

1.14 "**Facilities**" means the parking garages listed in Appendix A as Garage Group A or B, which the Manager will operate and at which the Manager will perform the Services as provided in this Agreement.

1.15 "**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.

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

1.17 "**Project Manager**" means the project manager assigned to the Contract for the SFMTA, or his or her designated agent.

1.18 "**Purchase Order**" means the written order issued by the City to the Contractor, authorizing the Effective Date as provided in Section 2.1.

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

1.20 "**Services**" means the work performed by Contractor under this Agreement as specifically described in the "Scope of Services" attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.

Article 2 Term and Nature of the Agreement

2.1 Term. The term of this Agreement shall commence on the Effective Date and expire five years from the Effective Date, unless earlier terminated as otherwise provided herein. The City has two options to extend the Agreement for periods totaling four years. The City may extend this Agreement beyond the expiration date by exercising an option at the Director of Transportation's sole and absolute discretion and by modifying this Agreement in accordance with SFMTA Contracting policies.

2.2 Nature of the Agreement. This Agreement is a services agreement only. This Agreement is not a lease and does not grant or otherwise confer to Contractor any property rights

in any of the parking facilities or other properties that the Contractor manages under this Agreement. The Contractor's presence on said facilities is limited to the term of this Agreement and is authorized only to the extent and as necessary for Contractor to perform the Services described in this Agreement.

Article 3 Financial Matters

3.1 Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation. This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller in the form of a Purchase Order, and the amount of 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 City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

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

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

3.3 Compensation.

3.3.1 Calculation of Charges. Contractor shall provide an invoice to the SFMTA on a monthly basis for Services completed (including goods delivered, if any) in the immediately preceding month, unless a different schedule is set out in Appendix B (Calculation of Charges). Compensation shall be made for goods and/or Services identified in the invoice that the Director of Transportation, or his or her designee, in his or her sole discretion, concludes have been satisfactorily performed. In no event shall the amount of this Agreement exceed One Hundred Eighty Million Dollars ($180,000,000). The breakdown of charges associated with this

Agreement appears in Appendix B. As described in Appendix B, the City may withhold a portion of payment as retainage until the conclusion of the Agreement if agreed to by both Parties. In no event shall City be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any Services covered by this Agreement.

3.3.2 Payment Limited to Satisfactory Services and Delivery of Goods. Contractor is not entitled to any payments from City until the SFMTA approves the goods and/or Services delivered under this Agreement. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory goods and/or Services even if the unsatisfactory character may not have been apparent or detected at the time such payment was made. The City may reject goods and/or Services delivered under this Agreement that do not conform to the requirements of this Agreement. In such case, Contractor must replace the non-conforming goods and/or Services without delay and at no cost to the City.

3.3.3 Withhold Payments. If Contractor fails to provide goods and/or Services in accordance with Contractor's obligations under this Agreement, the City may withhold any and all payments due Contractor until such failure to perform is cured, and Contractor shall not stop work as a result of City's withholding of payments as provided herein.

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

3.3.5 Payment Terms.

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

3.3.6 LBE Payment and Utilization Tracking System. Contractor shall pay LBE subcontractors within three business days as provided under Chapter 14B.7(H)(9). Within ten business days of the SFMTA's payment of an invoice, Contractor shall confirm that all subcontractors have been paid via the B2GNow System (https://sfmta.diversitycompliance.com/)

unless instructed otherwise by CMD. Failure to submit all required payment information to the City's Financial System with each payment request may result in the withholding of 20% of the payment due.

3.3.7 Compensation and Reimbursement of Authorized Operating Expenses.

(a) The SFMTA shall pay Contractor the Management Fee and reimburse the Contractor reimbursable authorized operating expenses in accordance with approved annual budgets, as provided in Appendices A and B to this Agreement.

(b) The City utilizes the Paymode-X® service offered by Bank of America Merrill Lynch to pay City contractors. Contractor must sign up to receive electronic payments to be paid under this Agreement. To sign up for electronic payments, visit http://portal.paymode.com/city_countyofsanfrancisco.

(c) At the option of the City, Contractor may be required to submit invoices directly in the City's financial and procurement system (PeopleSoft) via eSettlement. Refer to https://sfcitypartner.sfgov.org/pages/training.aspx for more information on eSettlement. For access to PeopleSoft eSettlement, submit a request through sfemployeeportalsupport@sfgov.org.

3.4 Audit and Inspection of Records. Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its Services. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any Federal agency having an interest in the subject matter of this Agreement shall have the same rights as conferred upon City by this Section. Contractor shall include the same audit and inspection rights and record retention requirements in all subcontracts.

3.5 Submitting False Claims. The full text of San Francisco Administrative Code Chapter 21, Section 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Pursuant to San Francisco Administrative Code §21.35, any contractor or subcontractor who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A contractor or subcontractor will be deemed to have submitted a false claim to the City if the contractor or subcontractor: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval;

(b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

Work Force Retention and Payment of Prevailing Wages .

3.5.1 Work Force Retention. San Francisco Administrative Code section 21C sets out certain requirements for the retention of garage personnel upon the change of a garage manager. Manager shall retain all garage employees at the Facilities covered by this Agreement as required by San Francisco Administrative Code section 21C. In addition, during the term of this Agreement, Manager shall not transfer or reassign employees of the Facilities so as to shift the costs of employees with more seniority onto the SFMTA. To that end, Manager shall not transfer any of its employees assigned to parking facilities that are not covered by this Agreement to any of the Facilities that are covered by this Agreement without the express written permission of the Director of Parking. Manager also shall not transfer any personnel assigned to the Facilities to parking facilities not covered by this Agreement without the express written permission of the Director of Parking.

3.5.2 Covered Services. Services to be performed by Contractor under this Agreement will involve the performance of work covered by the provisions of Section 21C [Miscellaneous Prevailing Wage Requirements] of the Administrative Code and may also involve the performance of trade work covered by the provisions of Section 6.22(e) of the San Francisco Administrative Code (collectively, "Covered Services"). The provisions of Section 6.22(e) and 21C of the Administrative Code are incorporated as provisions of this Agreement as if fully set forth herein and will apply to any Covered Services performed by Contractor and its subcontractors, as set forth in the following sections.

3.5.3 Wage Rates for Garage Attendants. The latest prevailing wage rates for garage attendants working public off-street parking facilities 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. Copies of the prevailing wage rates as fixed and determined by the Board of Supervisors are available from the Office of Labor Standards and Enforcement ("OLSE") and on the Internet at http://sfgov.org/olse/prevailing-wage. Contractor agrees that it shall pay not less than the prevailing wage rates, as fixed and determined by the Board, to all workers employed by Contractor who perform parking garage attendant Covered Services under this Agreement.

3.5.4 Subcontract Requirements. Contractor shall insert in every subcontract or other arrangement, which it may make for the performance of Covered Services under this Agreement, a provision that said subcontractor shall pay to all persons performing labor in connection with Covered Services under said subcontract or other arrangement not less than the highest general prevailing rate of wages as fixed and determined by the Board of Supervisors for such labor or services.

3.5.5 Posted Notices. Contractor shall post job site notices regarding the obligations imposed by this Section 3.6 at all job sites where Covered Services are to be performed**.**

3.5.6 Payroll Records. Contractor shall keep or cause to be kept complete and accurate payroll records for all workers performing Covered Services. Such records shall include the name, address and social security number of each worker who provided Covered Services on the project, his or her classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every subcontractor who shall undertake the performance of any part of Covered Services shall keep a like record of each person engaged in the execution of Covered Services under the subcontract. All such records shall at all times be available for inspection of and examination by the City and its authorized representatives, including OLSE.

3.5.7 Reserved (Certified Payrolls).

3.5.8 Compliance Monitoring. Covered Services to be 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 and agrees to take the specific steps and actions to comply with the City's prevailing wage requirements. Steps and actions include but are not limited to requirements that: (i) Contractor will cooperate fully with OLSE and other City employees and agents authorized to assist in the administration and enforcement of the prevailing wage requirements and other labor standards imposed on Contractor by Chapter 21C of the San Francisco Administrative Code; (ii) Contractor agrees that OLSE employees and agents, in the performance of their duties, shall have the right to engage in random inspections of job sites and to have access to the employees of the Contractor, employee time sheets, inspection logs, payroll records and employee paychecks; (iii) Contractor shall maintain a sign-in and sign-out sheet showing which employees are present on the job site; (iv) Contractor shall prominently post at each job-site a sign informing employees that the project is subject to the City's prevailing wage requirements and that these requirements are enforced by OLSE; and (v) that OLSE may audit such records of the Contractor as it reasonably deems

necessary to determine compliance with the City's prevailing wage requirements. Failure to comply with these requirements may result in penalties and forfeitures consistent with Administrative Code Chapter 21C, as amended from time to time.

3.5.9 Remedies. Should Contractor, or any subcontractor who shall undertake the performance of any Covered Services, fail or neglect to pay to the persons who perform Covered Services under this contract, subcontract or other arrangement for the Covered Services, the general prevailing rate of wages as herein specified, Contractor shall forfeit, and in the case of any subcontractor so failing or neglecting to pay said wage, Contractor and the subcontractor shall jointly and severally forfeit, back wages due plus any penalties as set forth in Administrative Code Chapter 21C. The City, when certifying any payment which may become due under the terms of this Agreement, shall deduct from the amount that would otherwise be due on such payment the amount of said forfeiture.

3.5.10 Wage Rates for Maintenance Work. The latest prevailing wage rates for private employment on public contracts as determined by the San Francisco Board of Supervisors and the Director of the California Department of Industrial Relations, as such prevailing wage rates may be changed during the term of this Agreement, are incorporated as provisions of this Agreement. Copies of the prevailing wage rates as fixed and determined by the Board of Supervisors are available from the Office of Labor Standards and Enforcement (OLSE) and on the Internet at http://www.dir.ca.gov/DLSR/PWD and http://sfgov.org/olse/prevailing-wage. Contractor agrees that it shall pay not less than the prevailing wage rates, as fixed and determined by the Board, to all workers employed by Contractor who perform Covered Services under this Agreement.

3.5.11 Subcontract Requirements. As required by Section 6.22(e)(5) of the Administrative Code, Contractor shall insert in every subcontract or other arrangement that it may make for the performance of Covered Services under this Agreement, a provision that said subcontractor shall pay to all persons performing labor in connection with Covered Services under said subcontract or other arrangement not less than the highest general prevailing rate of wages as fixed and determined by the Board of Supervisors for such labor or services.

3.5.12 Posted Notices. As required by Section 1771.4 of the California Labor Code, Contractor shall post job site notices prescribed by the California Department of Industrial Relations (DIR) at all job sites where services covered by Chapter 6.22 are to be performed**.**

3.5.13 Payroll Records. As required by Section 6.22(e)(6) of the Administrative Code and Section 1776 of the California Labor Code, Contractor shall keep or cause to be kept complete and accurate payroll records for all trade workers performing Covered Services. Such records shall include the name, address and social security number of each worker who provided Covered Services on the project, including apprentices, his or her classification, a general description of the services each worker performed each day, the rate of pay (including rates of

contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made, and actual wages paid. Every subcontractor who shall undertake the performance of any part of Covered Services shall keep a like record of each person engaged in the execution of Covered Services under the subcontract. All such records shall at all times be available for inspection of and examination by the City and its authorized representatives and the DIR.

3.5.14 Certified Payrolls. Certified payrolls shall be prepared pursuant to Administrative Code Section 6.22(e)(6) and California Labor Code Section 1776 for the period involved for all employees, including those of subcontractors, who performed labor in connection with Covered Services. Contractor and each subcontractor performing Covered Services shall submit certified payrolls to the City and to the DIR electronically. Contractor shall submit payrolls to the City via the reporting system selected by the City. The DIR will specify how to submit certified payrolls to it. The City will provide basic training in the use of the reporting system at a scheduled training session. Contractor and all subcontractors that will perform Covered Services must attend the training session. Contractor and applicable subcontractors shall comply with electronic certified payroll requirements (including training) at no additional cost to the City.

3.5.15 Compliance Monitoring. Covered Services to be performed under this Agreement are subject to compliance monitoring and enforcement of prevailing wage requirements by the DIR and /or the OLSE. Contractor and any subcontractors performing Covered Services will cooperate fully with the DIR and/or the OLSE and other City employees and agents authorized to assist in the administration and enforcement of the prevailing wage requirements and agrees to take the specific steps and actions as required by Section 6.22(e)(7) of the Administrative Code. Steps and actions include but are not limited to requirements that: (i) the Contractor will cooperate fully with the Labor Standards Enforcement Officer and other City employees and agents authorized to assist in the administration and enforcement of the Prevailing Wage requirements and other labor standards imposed on Public Works Contractors by the Charter and Chapter 6 of the San Francisco Administrative Code; (ii) the Contractor agrees that the Labor Standards Enforcement Officer and his or her designees, in the performance of their duties, shall have the right to engage in random inspections of job sites and to have access to the employees of the Contractor, employee time sheets, inspection logs, payroll records and employee paychecks; (iii) the Contractor shall maintain a sign-in and sign-out sheet showing which employees are present on the job site; (iv) the Contractor shall prominently post at each job-site a sign informing employees that the project is subject to the City's Prevailing Wage requirements and that these requirements are enforced by the Labor Standards Enforcement Officer; and (v) that the Labor Standards Enforcement Officer may audit such records of the Contractor as he or she reasonably deems necessary to determine compliance with the Prevailing Wage and other labor standards imposed by the Charter and this Chapter on Public Works Contractors. Failure to comply with these requirements may result in penalties and

forfeitures consistent with analogous provisions of the California Labor Code, including Section 1776(g), as amended from time to time.

3.5.16 Remedies. Should Contractor, or any subcontractor who shall undertake the performance of any Covered Services, fail or neglect to pay to the persons who perform Covered Services under this Contract, subcontract or other arrangement for the Covered Services, the general prevailing rate of wages as herein specified, Contractor shall forfeit, and in the case of any subcontractor so failing or neglecting to pay said wage, Contractor and the subcontractor shall jointly and severally forfeit, back wages due plus the penalties set forth in Administrative Code Section 6.22 (e) and/or California Labor Code Section 1775. When certifying any payment which may become due under the terms of this Agreement, the City will 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 reimburse the Contractor for, Services beyond the Scope of Services listed in Appendix A, unless Appendix A is modified as provided in Section 11.5 (Modification of this Agreement).

4.2 Qualified Personnel. Contractor shall use only competent personnel under the supervision of, and in the employment of, Contractor (or Contractor's authorized subcontractors) to perform the Services. Contractor will comply with City's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit adequate resources to ensure the efficient and effective operation of the Facilities.

4.3 Subcontracting.

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

4.3.2 City's execution of this Agreement constitutes its approval of the subcontractors listed below:

d. Convenient Parking, LLC

e. Men at Work LA Concrete Inc.

f. Marina Securities Services 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 or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, 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 agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this Section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing in accordance with the requirements of this Agreement, 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, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

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 this Section 4.4 shall be solely limited to the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from this Section.

4.5 Assignment. The Services to be performed by Contractor are personal in character. Neither this Agreement, nor any duties or obligations hereunder, may be directly or indirectly assigned, novated, hypothecated, transferred, or delegated by Contractor, or, where the Contractor is a joint venture, a joint venture partner (collectively referred to as an "Assignment"), unless first approved by City by written instrument executed and approved as required under City law and under the policy of the SFMTA Board of Directors. The City's approval of any such Assignment is subject to the Contractor demonstrating to City's reasonable satisfaction that the proposed transferee is: (a) reputable and capable, financially and otherwise, of performing each of Contractor's obligations under this Agreement and any other documents to be assigned, (b) not forbidden by applicable law from transacting business or entering into contracts with City; and (c) subject to the jurisdiction of the courts of the State of California. A change of ownership or control of Contractor or a sale or transfer of substantially all of the assets of Contractor shall be deemed an Assignment for purposes of this Agreement. Contractor shall immediately notify City about any Assignment. Any purported Assignment made in violation of this provision shall be null and void.

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

Article 5 Insurance and Indemnity

5.1 Insurance.

5.1.1 Required Coverages. Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Manager will secure and maintain the Required Insurance for the Facilities as set forth in this Agreement. All costs under this Section shall be Operating Expenses. If directed by the City, and subject to approval by the City of the insurers and policy forms, Manager shall arrange and maintain throughout the term of this Agreement the following insurance policies and any additional insurance as may be required

(a) Commercial General Liability Insurance with limits not less than Two Million dollars ($2,000,000) each occurrence for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations. Such policy shall include endorsements for (1) false arrest, detention or imprisonment or malicious prosecution; (2) libel, slander or defamation of character; (3) wrongful entry or eviction or invasion of the right of privacy. Commercial Automobile Liability Insurance with limits not less than $2,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable. Contractor's deductible, if any, is not an expense the SFMTA will reimburse. The cost to the SFMTA for Contractor's reimbursable insurance costs shall not increase during the first five years of this Agreement.

(b) Workers' Compensation, in statutory amounts, with Employers' Liability Limits of One Million Dollars ($1,000,000) each accident or disease and policy limit covering all employees employed in or about the Facilities to provide statutory benefits as required by the laws of the State of California. If Manager carries a policy for employees at the Facilities separate from its other employees, the City's liability to reimburse manager for its workers' compensation insurance premium is limited to average cost of workers compensation insurance per employee for all of Manager's employees. If Manager maintains a single workers' compensation insurance policy for all of its employees, irrespective of work-site assignment, then the City's liability to reimburse Manager shall be limited to the actual cost to Manager for the employees assigned to the Facilities. Said amount shall be calculated by dividing the cost of the annual premium by the number of Manager's employees and then multiplying that result by the number of Manager's employees assigned to work at the Facilities.

(c) Garage-keeper's legal liability insurance with limits not less than Ten Million Dollars ($10,000,000), for each occurrence combined single limit for loss and damage to vehicles in Manager's care, custody or control caused by fire, explosion, theft, riot, civil commotion, malicious mischief, vandalism or collision or the amounts required by Police Code section per facility, whichever requirement is higher. Any deductible under any such policy shall not be a reimbursable expense.

(d) Technology Errors and Omissions Liability coverage, with limits of One Million Dollars ($1,000,000) for each claim and each loss. The policy shall at a minimum

cover professional misconduct or lack of the requisite skill required for the performance of services defined in the Agreement and shall also provide coverage for the following risks:

(i) Network security liability arising from the unauthorized access to, use of, or tampering with computers or computer systems, including hacker attacks; and

(ii) Liability arising from the introduction of any form of malicious software including computer viruses into, or otherwise causing damage to the City's or third person's computer, computer system, network, or similar computer related property and the data, software, and programs thereon.

(e) Cyber and Privacy Insurance with limits of not less than One Million Dollars ($1,000,000**)** per claim. Such insurance shall include coverage for liability arising from theft, dissemination, and/or use of confidential information, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, protected health information or other personally identifying information, stored or transmitted in electronic form.

(f) Pollution Liability Insurance applicable to Contractor's activities and responsibilities under this Agreement with limits not less than Ten Million Dollars ($10,000,000) each occurrence combined single limit, including coverage for on-site third-party claims for bodily injury and property damage.

(g) Fidelity Insurance (or Fidelity Bond) or Crimes Insurance covering the theft or other loss of garage revenues caused by Contractor or its employees' intentional or negligent acts with limits not less than One Million Dollars ($1,000,000) per incident. Any retention on said insurance or bond shall not be a reimbursable expense.

5.1.2 Additional Insured Endorsements.

(a) The Commercial General Liability policy must be endorsed to name as Additional Insured the City and County of San Francisco, the Portsmouth Plaza Parking Corporation, the Japan Center Garage Corporation, and their Officers, Agents, and Employees.

(b) The Commercial Automobile Liability Insurance policy must be endorsed to name as Additional Insured the City and County of San Francisco, the Portsmouth Plaza Parking Corporation, the Japan Center Garage Corporation, and their Officers, Agents, and Employees.

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

5.1.3 Waiver of Subrogation Endorsements.

(a) The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

5.1.4 Primary Insurance Endorsements.

(a) The Commercial General Liability 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) The Pollution 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.

5.1.5 Other Insurance Requirements.

(a) Manager's authorized insurer representative shall provide not less than thirty (30) days' advance written notice to the City of cancellation, intended non-renewal, or reduction in coverages, except for non-payment, for which no less than 10 Days' notice shall be provided to City. Notices shall be sent to the City address set forth in Section 11.1 (Notices to the Parties). All notices, certificates and endorsements shall include the SFMTA contract number and title on the cover page.

(b) Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, 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 and additional insured policy endorsements from insurers with ratings comparable to A-, VIII or higher that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

(f) If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

5.2 Indemnification. To the maximum extent allowed by California law, Contractor shall indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts not in accordance with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

Separate and apart from and in addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification

provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter. Contractor's obligation to defend the City is not altered or impaired by any court's limitation to Contractor's obligations to indemnify the City.

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

5.3 Performance Bond. Contractor is required to furnish a performance bond in the amount of Five Hundred Thousand Dollars ($500,000) to guarantee the timely remittance of the daily receipts to SFMTA and faithful performance of this Agreement. The bond shall be in the form of a surety bond naming the City and County of San Francisco as obligee in the form agreed upon by both parties. Contractor shall cause the bond to be kept in full force and effect during the term of this Agreement to ensure the faithful performance by Contractor of all covenants, terms, and conditions of this Agreement. Contractor shall cause the surety company or bank issuing such bond to give SFMTA notice in writing by registered mail at least forty-five (45) days prior to the expiration date of such bond of its intention not to renew or to cancel or terminate said bond. Contractor shall cause such bond to be renewed, extended, or replaced, at Contractor's sole cost, at least thirty (30) days before the expiration date or cancellation date of the bond, with another bond that complies with the requirements herein. If Contractor fails to do so, City may, without notice to Contractor, draw on the entirety of the bond and hold the proceeds thereof as a guarantee hereunder. If Contractor defaults with respect to any provision of this Agreement, City may use, apply or retain all or any portion of the proceeds of the bond for the payment of any sum to which City may become obligated by reason of Contractor's default or to compensate City for any loss or damage which City may suffer thereby.

Article 6 Liability of the Parties

6.1 Liability of City. CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 3.3.1 (PAYMENT) OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

6.2 Liability for Use of Equipment. City shall not be liable for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor,

or any of its subcontractors, or by any of their employees, even though such equipment is furnished, rented or loaned by City.

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

6.4 No Hazardous Materials. Manager hereby covenants and agrees that neither Manager nor any of its Agents or Invitees shall cause or knowingly permit any Hazardous Material to be brought upon, kept, used, stored, generated or disposed of in, on or about the Facilities or the Land or transported to or from the Land or the Facilities, provided that Manager, its Agents and Invitees may store and use such substances in the Facilities and on the Land in such limited amounts as are customarily used in a parking Facility so long as such storage and use is at all times in full compliance with all applicable Environmental Laws. Manager shall immediately notify the City if and when Manager learns or has reason to believe there has been any Release of Hazardous Material in, on or about the Land or the Facilities provided, however, that Manager shall not be liable for any failure to so notify City, unless such Release was caused by Manager. The City may request Manager to provide information required for the City to determine whether any Hazardous Material permitted hereunder is being handled in compliance with all applicable Environmental Laws, and Manager shall promptly provide all such information.

6.5 Manager's Environmental Indemnity. If Manager breaches any of its obligations contained in Section 6.4 above, or, if any act or omission or negligence of Manager or any of its Agents or Invitees results in any Release of Hazardous Material in, on, under or about the Land or the Facilities (including any improvements thereon) or any other City property, without limiting Manager's general Indemnity contained in Section 5.2, Manager, on behalf of itself and its successors and assigns, shall indemnify the City and its respective officers, agents and employees, and each of them, from and against all Hazardous Materials claims arising during or after the termination or expiration of this Agreement and relating to such Release. The foregoing Indemnity includes, without limitation, all costs associated with the Investigation and Remediation of Hazardous Material and with the restoration of the facilities and the Land or any other City property to its prior condition including, without limitation, fines and penalties imposed by regulatory agencies, natural resource damages and losses, and re-vegetation of the Land or other City property. Without limiting the foregoing, if Manager or any of Manager's Agents or Invitees, causes or permits the Release of any Hazardous Materials in, on, under or about the Land, Facilities or any other City property, Manager shall, immediately, at no expense to the City, take any and all appropriate actions to return the Land, Facilities or other City property affected thereby to the condition existing prior to such Release and otherwise Investigate and Remediate the Release in accordance with all Environmental Laws. Manager shall provide the City with written notice of and afford the City a full opportunity to participate

in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, permit, approvals, or other compromise or proceeding involving Hazardous Material. Manager specifically acknowledges and agrees that it has an immediate and independent obligation to defend the City from any claim which actually or potentially falls within this Indemnity provision even if such allegation is groundless, fraudulent or false, and at all times before the determination of the validity of any such claim. The foregoing Indemnity is not limited by the amount of insurance required to be maintained by Manager.

Article 7 Payment of Taxes

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

7.2 Possessory Interest Taxes. Contractor acknowledges that this Agreement may create a "possessory interest" for property tax purposes. Generally, such a possessory interest is not created unless the Agreement entitles the Contractor to possession, occupancy, or use of City property for private gain. If such a possessory interest is created, then the following shall apply:

7.2.1 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that Contractor, and any permitted successors and assigns, may be subject to real property tax assessments on the possessory interest.

7.2.2 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a "change in ownership" for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by Revenue and Taxation Code Section 480.5, as amended from time to time, and any successor provision.

7.2.3 Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change of ownership of the possessory interest and result in the revaluation of the possessory interest. (see, e.g., Rev. & Tax. Code Section 64, as amended from time to time). Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.

7.2.4 Contractor further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements for possessory interests that are imposed by applicable law.

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

7.4 Parking Taxes. Contractor agrees it is obligated to report and remit Parking Tax pursuant to Section 6.10 of the Facility Regulations, which are included at Appendix D of this agreement.

Article 8 Termination and Default

8.1 Termination for Convenience

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

8.1.2 Upon receipt of the notice of termination, Contractor shall commence and perform, with diligence, all actions necessary on the part of Contractor to effect the termination of this Agreement on the date specified by City and to minimize the liability of Contractor and City to third parties as a result of termination. All such actions shall be subject to the prior approval of City. Such actions may include any or all of the following, without limitation:

(a) Halting the performance of all Services under this Agreement on the date(s) and in the manner specified by the SFMTA.

(b) Terminating all existing orders and subcontracts, and not placing any further orders or subcontracts for materials, Services, equipment or other items.

(c) At the SFMTA's direction, assigning to City any or all of Contractor's right, title, and interest under the orders and subcontracts terminated. 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 termination of such orders and subcontracts.

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

(e) Completing performance of any Services that the SFMTA designates to be completed prior to the date of termination specified by the SFMTA.

(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 prior to the specified termination date, for which Services the SFMTA has not already tendered payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Contractor's direct costs for Services. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.

(b) A reasonable allowance for profit on the cost of the Services described in the immediately preceding subsection (a), provided that Contractor can establish, to the satisfaction of 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 material or equipment returned to the vendor, 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 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 City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by the SFMTA, 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 City's payment obligation under this Section 8 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
10.11	Alcohol and Drug-Free Workplace
10.14	Working with Minors
11.10	Compliance with Laws
Article 13	Data and Security

(b) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, or in the appended Facility Regulations, 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. If Contractor defaults a second time in the same manner as a prior default cured by Contractor, 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 or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Contractor.

8.2.2 On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, where applicable, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor: (i) all damages, losses, costs or expenses incurred by City as a result of an Event of Default; and (ii) any liquidated damages levied upon Contractor pursuant to the terms of this Agreement; and (iii), any damages imposed by any ordinance or statute that is incorporated into this Agreement by reference, or into any other agreement with the City. This Section 8.2.2 shall survive termination of this Agreement.

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 to the address set forth in Article 11, and in the manner prescribed in Article 11.

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

8.4 Rights and Duties upon Termination or Expiration.

8.4.1 This Section 8.4 and the following Sections of this Agreement listed below, shall survive termination or expiration of this Agreement:

3.3.2	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
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. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work purchased on behalf of or produced under this Agreement for which Contractor seeks payment 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.

8.4.3 Duties Upon Termination and Expiration. On or before the last day prior to the termination or expiration of this Agreement, the City and Manager shall cause an inspection of the Facilities to occur as required by the Facility Regulations. Upon satisfactory completion of such inspection, the amounts remaining in the Security Deposit, if any, shall be disbursed to Manager as such procedure is prescribed in the Facility Regulations and the Parties shall pay all other amounts due to each other hereunder. Finally, Manager shall deliver to the City the originals of all books, permits, plans, records, licenses, contracts, unused tickets and other documents pertaining to the Facilities and their operation, any insurance policies, bills of sale or other documents evidencing title or rights of the City, and any and all other records or documents pertaining to the Facilities, whether or not enumerated herein, which are requested by the City or necessary or desirable for the ownership and operation of the Facilities, which are in Manager's possession. Manager further agrees to do all other things reasonably necessary to cause an orderly transition of the management and operation of the Facilities without detriment to the rights of the City or to the continued management of the Facilities.

Article 9 Rights In Deliverables

9.1 Ownership of Results. Any interest of Contractor or its subcontractors, in the Deliverables, including any drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Contractor or its subcontractors for the purposes of this Agreement, shall become the property of and will be transmitted to City. However, unless expressly prohibited elsewhere in this Agreement, Contractor may retain and use copies for reference and as documentation of its experience and capabilities.

9.2 Works for Hire. If, in connection with Services, Contractor or its subcontractors creates Deliverables including, without limitation, artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes, or any other original works of authorship, whether in digital or any other format, such works of authorship shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works shall be the property of the City. If any Deliverables created by Contractor or its subcontractor(s) under this Agreement are ever determined not to be works for hire under U.S. law, Contractor hereby assigns all Contractor's copyrights to such Deliverables to the City, agrees to provide any material and execute any documents necessary to effectuate such assignment, and agrees to include a clause in every subcontract imposing the same duties upon subcontractor(s). With City's prior written approval, Contractor and its subcontractor(s) may retain and use copies of such works for reference and as documentation of their respective experience and capabilities.

Article 10 Additional Requirements Incorporated by Reference

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

10.2 Conflict of Interest. By executing this Agreement, Contractor certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City's Charter; Article III, Chapter 2 of City's Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 *et seq.*), or Title 1, Division 4, Chapter 1, Article 4 of the California Government Code (Section 1090 *et seq.*), and further agrees promptly to notify the City if it becomes aware of any such fact during the term of this Agreement.

10.3 Prohibition on Use of Public Funds for Political Activity. In performing the Services, Contractor shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Contractor is subject to the enforcement and penalty provisions in Chapter 12G.

10.4 Consideration of Salary History. Contractor shall comply with San Francisco Administrative Code Chapter 12K, the Consideration of Salary History Ordinance or "Pay Parity Act." Contractor is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (a) asking such applicants about their current or past salary or (b) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at https://sfgov.org/olse/consideration-salary-history. Contractor is required to comply with all of the applicable provisions of 12K, irrespective of the listing of obligations in this Section.

10.5 Nondiscrimination Requirements

10.5.1 Non Discrimination in Contracts. Contractor shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. Contractor shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Contractor is subject to the enforcement and penalty provisions in Chapters 12B and 12C.

10.5.2 Nondiscrimination in the Provision of Employee Benefits. San Francisco Administrative Code 12B.2. Contractor does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.

10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance. Contractor shall comply with all applicable provisions of Chapter 14B (LBE Ordinance). Contractor is subject to the enforcement and penalty provisions in Chapter 14B.

Contractor shall utilize LBE Subcontractors for at least 12 or 16 percent of the Services except as otherwise authorized in writing by the CCO. Contractor shall incorporate the requirements of the LBE Ordinance in each subcontract made in the fulfillment of Contractor's LBE subcontracting commitments.

10.7 Minimum Compensation Ordinance. If Administrative Code Chapter 12P applies to this contract, Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. Information about and the text of the Chapter 12P is available on the web at http://sfgov.org/olse/mco. Contractor is required to comply with all of the applicable provisions of 12P, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Contractor certifies that it complies with Chapter 12P.

10.8 Prevailing Wages. Contractor shall Contractor shall provide prevailing wages and benefits and transitional employment and retention for the prior contractor's employees, as required by San Francisco Administrative Code, Chapter 21, Section 21C.7. The Code Section may be reviewed at:

http://www.amlegal.com/nxt/gateway.dll?f=templates&fn=default.htm&vid=amlegal:sanfrancisco_ca

10.9 Health Care Accountability Ordinance. If Administrative Code Chapter 12Q applies to this contract, Contractor shall comply with the requirements of Chapter 12Q. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of Chapter 12Q, 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 Chapter 12Q. Any Subcontract entered into by Contractor shall require any Subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

10.10 First Source Hiring Program. Contractor must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, that apply to this Agreement, and Contractor is subject to the enforcement and penalty provisions in Chapter 83.

10.11 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.

10.12 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 (a) 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, (c) a candidate for that City elective office, or (b) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10% in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract and has provided the names of the persons required to be informed to the City department with whom it is contracting.

10.13 Reserved. (Slavery Era Disclosure.)

10.14 Reserved. (Working with Minors.)

10.15 Consideration of Criminal History in Hiring and Employment Decisions

10.15.1 Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions) of the San Francisco Administrative Code (Chapter 12T), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at http://sfgov.org/olse/fco. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this

Section 10.15 and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

10.15.2 The requirements of Chapter 12T shall only apply to a Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

10.16 Reserved. (Public Access to Nonprofit Records and Meetings.)

10.17 Reserved (Food Service Waste Reduction Requirements.)

10.18 Distribution of Beverages and Water.

10.18.1 Sugar-Sweetened Beverage Prohibition. Contractor agrees that it shall not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

10.18.2 Packaged Water Prohibition. Contractor agrees that it shall not sell, provide, or otherwise distribute Packaged Water, as defined by San Francisco Environment Code Chapter 24, as part of its performance of this Agreement.

10.19 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.

10.19.1 Contractor shall comply with San Francisco Environment Code Chapter 8, which provides that except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code, Contractor shall not provide any items to the City in performance of this contract which are tropical hardwoods, tropical hardwood wood products, virgin redwood or virgin redwood wood products. Contractor is subject to the penalty and enforcement provisions of Chapter 8.

10.20 Preservative-Treated Wood Products. Contractor shall comply with the provisions of San Francisco Environment Code Chapter 13, which requires that each Contractor purchasing preservative-treated wood products on behalf of the City shall only purchase such products from the list of alternatives adopted by the Department of the Environment pursuant to Section 1302 of Chapter 13, unless otherwise granted an exemption by the terms of that Chapter.

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: SFMTA
Attention: Ted Graff
Director of Parking
One South Van Ness Avenue, 8th floor
San Francisco, CA 94102
ted.graff@sfmta.com

To Contractor: IMCO Parking LLC
Attention: Legal Department
78 SW 7th Street, 5th Floor
Miami, FL 33130

With a copy to:
lliers@govtparking.com

legalnotices@reeftechnology.com

realestate.notices@reeftechnology.com

Any notice of default must be sent by overnight delivery service or courier, with a signature obtained at delivery. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party. If email notification is used, the sender must specify a receipt notice.

11.2 Compliance with Americans with Disabilities Act. Contractor shall provide the Services in a manner that complies with the Americans with Disabilities Act (ADA), including but not limited to Title II's program access requirements, and all other applicable federal, state and local disability rights legislation.

11.3 Incorporation of Recitals. The Recitals are incorporated into and made part of this Agreement.

11.4 Sunshine Ordinance. Contractor acknowledges that this Agreement and all records related to its formation, Contractor's performance of Services, and City's payment are subject to the California Public Records Act, (California Government Code §6250 et. seq.), and the San Francisco Sunshine Ordinance, (San Francisco Administrative Code Chapter 67). Such records are subject to public inspection and copying unless exempt from disclosure under federal, state or local law.

11.5 Modification of this Agreement. This Agreement may not be modified, nor may compliance with any of its terms be waived, except as noted in Section 11.1 (Notices to Parties) regarding change in personnel or place, and except by written instrument executed and approved as required under City law and under the policy of the SFMTA Board of Directors. Contractor shall cooperate with the SFMTA to submit to the CCO any amendment, modification, supplement or change order that would result in a cumulative increase of the original amount of this Agreement by more than 20% (CMD Contract Modification Form).

11.6 Dispute Resolution Procedure.

11.6.1 Negotiation; Alternative Dispute Resolution. The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement. If the Parties are unable to resolve the dispute, then, pursuant to San Francisco Administrative Code Section 21.36, Contractor may submit to the Contract Administrator a written request for administrative review and documentation of the Contractor's claim(s). Upon such request, the Contract Administrator shall promptly issue an administrative decision in writing, stating the reasons for the action taken and informing the Contractor of its right to judicial review. If agreed by both Parties in writing, disputes may be resolved by a mutually agreed-upon alternative dispute resolution process. If the Parties do not mutually agree to an alternative dispute resolution process or such efforts do not resolve the dispute, then either Party may pursue any remedy available under California law. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations under this Agreement in accordance with the Agreement and the written directions of the City. Neither Party will be entitled to legal fees or costs for matters resolved under this Section 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 Agreement was advertised, negotiated and executed in San Francisco, California. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco, California.

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

11.9 Entire Agreement. This Contract and the documents incorporated by reference, including but not limited to the Facility Regulations, sets forth the entire agreement between the Parties, and supersedes all other oral or written provisions. This Agreement may be modified only as provided in Section 11.5 (Modification of this Agreement).

11.10 Compliance with Laws. Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and duly adopted rules and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

11.11 Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the Parties and shall be reformed without further action by the Parties to the extent necessary to make such provision valid and enforceable.

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

11.13 Order of Precedence. Contractor agrees to perform the services described below in accordance with the terms and conditions of this Agreement, the Facility Regulations, and properly executed and approved amendments to this Agreement, and, the RFP, Should there be a conflict of terms or conditions, this Agreement, the RFP, and/or the Facility Regulations the documents shall be interpreted in the following order of precedence:

e. Facility Regulations

f. Contract Modification(s) (precedence is in reverse chronological order)

g. Agreement

h. RFP

11.14 Notification of Legal Requests. Contractor shall immediately notify City upon receipt of any subpoenas, service of process, litigation holds, discovery requests, and other legal requests (Legal Requests) related to all City Data given by City to Contractor in the performance of this Agreement, or which in any way might reasonably require access to City Data, and in no event later than 24 hours after it receives the request. Contractor shall not respond to Legal

Requests related to City without first notifying City other than to notify the requestor that the information sought is potentially covered under a non-disclosure agreement. Contractor shall retain and preserve City Data in accordance with the City's instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by the City to Contractor, independent of where the City Data is stored.

11.15 COVID Public Health Requirements. Contractor shall comply with all applicable orders and directives of the San Francisco County Health Officer concerning Covid-19, including but not limited to mask and vaccination requirements.

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/largevehicletrainingstandards. This requirement does not apply to drivers providing delivery services who are not employees or subcontractors of the 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 the 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 the 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 Confidential Information . In the performance of Services, Contractor may have access to, or collect on City's behalf, City's proprietary or Confidential Information, the disclosure of which 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. Data and images generated by the PARCS are Confidential Information, including but not limited to transaction data, license plate numbers, and video images.

13.2 Payment Card Industry (PCI) Requirements. Contractors providing services and products that handle, transmit or store cardholder data, are subject to the following requirements, as well as those detailed in the Facility Regulations Section 6.3:

13.2.1 Applications shall be compliant with the Payment Application Data Security Standard (PA-DSS) and validated by a Payment Application Qualified Security Assessor (PA-QSA). A Contractor whose application has achieved PA-DSS certification must then be listed on the PCI Councils list of PA-DSS approved and validated payment applications.

13.2.2 Gateway providers shall have appropriate Payment Card Industry Data Security Standards (PCI DSS) certification as service providers (https://www.pcisecuritystandards.org/index.shtml). Compliance with the PCI DSS shall be achieved through a third-party audit process. The Contractor shall comply with Visa Cardholder Information Security Program (CISP) and MasterCard Site Data Protection (SDP) programs.

13.2.3 For any Contractor that processes PIN Debit Cards, payment card devices supplied by Contractor shall be validated against the PCI Council PIN Transaction Security (PTS) program.

13.2.4 For items 13.2.1 to 13.2.3 above, Contractor shall provide a letter from their qualified security assessor (QSA) affirming their compliance and current PCI or PTS compliance certificate.

13.2.5 Contractor shall be responsible for furnishing City with an updated PCI compliance certificate 30 Days prior to its expiration.

13.2.6 Bank Accounts. Collections that represent funds belonging to the City and County of San Francisco shall be deposited to the Contractor's bank account. Upon receipt, transient funds will be transferred at the close of business into a City and County of San Francisco bank account designated by the SFMTA.

13.3 Reserved. (Business Associate Agreement).

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

13.5 Management of City Data and Confidential Information.

13.5.1 Use of City Data and Confidential Information. Contractor agrees to hold City Data received from, or collected on behalf, of the City, in strictest confidence. Contractor shall not use or disclose City Data except as permitted or required by the Agreement or as otherwise authorized in writing by the City. Any work using, or sharing or storage of, City Data outside the United States is subject to prior written authorization by the City. Access to City Data must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. Contractor is provided a limited non-exclusive license to use the City Data solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing herein shall be construed to confer any license or right to the City Data or Confidential Information, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data by Contractor, subcontractors, or other third parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.

Notwithstanding the above, Contractor shall have the right to disclose City's Confidential Information to the extent required by law.

13.5.2 Disposition of Confidential Information. Upon request of City or termination or expiration of this Agreement, and pursuant to any document retention period required by this Agreement, Contractor shall promptly, but in no event later than 30 Days, return all Data given to or collected by Contractor on City's behalf, which includes all original media. Once Contractor has received written confirmation from City that the City Data has been successfully transferred to City, Contractor shall within 10 Days clear or purge all City Data from its servers, any hosted environment Contractor has used in performance of this Agreement, including its subcontractors' environment(s), work stations that were used to process the Data or for production of the Data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five Days

of the purge. 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.

13.6 MacBride Principles - Northern Ireland. The provisions of San Francisco Administrative Code §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.

Article 14 Included Appendices and Documents Incorporated by Reference

The Appendices and documents listed below are incorporated by reference of this Agreement as if fully set out herein:

d. Facility Regulations

e. Scope of Services

f. Calculation of Charges

← [SIGNATURES ON FOLLOWING PAGE]

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

CITY	**CONTRACTOR**
San Francisco **Municipal Transportation Agency** _____ Jeffrey P. Tumlin Director of Transportation Authorized By: Municipal Transportation Agency Board of Directors Resolution No: _____ Adopted: _____ Attest: _____ Christine Silva, Secretary Board of Supervisors Resolution No: _____ Adopted: _____ Attest: _____ Clerk of the Board Approved as to Form: David S. Chiu City Attorney By: _____ Robert K. Stone Deputy City Attorney	**IMCO Parking LLC** _____ Leonard Carder Manager and President <u>Acknowledgement of Large Vehicle Driver Safety Training Requirements</u>: By signing this Agreement, Contractor acknowledges that it has read and understands Section 12.1: Large Vehicle Driver Safety Training Requirements. City Supplier Number: 0000018478

Appendix A
Scope of Services

7. Management Services

7.1 General Authority to Manage. Subject to **Subsections 1.2 through 1.6** of this Section, Manager shall manage and supervise the day-to-day operation of the Facilities and perform the Services described in and in accordance with this Agreement and the Facility Regulations.

7.2 Control Retained by the City. The City shall at all times retain the authority to exercise control over the Facilities. The Manager's presence in the Facilities is necessary and required for Manager's performance of the Services, but this Agreement does not confer on the Manager any rights or interest in the Facilities, including but not limited to leasehold or other property right. The Manager shall perform the Services as an independent contractor in accordance with policies and directives of the SFMTA applying best parking industry practices. Any terms in this Agreement referring to direction from the SFMTA shall be construed as providing for direction as to policy and the result of Manager's performance of the Services, and not as to the means and methods by which such results are obtained.

7.3 Access to Facilities. The SFMTA and its duly authorized agents have the right to enter the Facilities at any time without notice for any purpose, including but not limited (i) inspection, (ii) to make any repairs, additions or renovations as the SFMTA shall deem necessary, and (iii) for use by the SFMTA in case of emergency, as determined by the SFMTA in its sole discretion.

7.4 Addition or Deletion of Facilities.

(1) The SFMTA shall have the option during the term of this Agreement to add up to three additional parking facilities to those Facilities listed in this Agreement. The Manager shall perform the Services at any added parking facility as described in this Agreement and the Facility Regulations. In the event that the SFMTA exercises the options to add a parking facility to the scope of work of this Agreement, the SFMTA shall provide written notice of intent to the Manager not less than 30 days before the Manager must perform the Services for that additional parking facility. The SFMTA shall compensate Manager for the Services performed at the added facility by payment of an additional Management Fee of $2 for each parking space in the added facility, plus the reimbursable expenses incurred by Manager in performing the Services at the added facility. For example, if a 500-space facility is added in March 2023, the monthly management fee of $10,000 will be increased by $1,000 ($2 x 500) to $11,000.

(2) The SFMTA shall have the option during the term of this Agreement to either temporarily or permanently remove a maximum of three Facilities from the Manager's Services in the event that the SFMTA determines that a parking facility should be closed temporarily or permanently. In the event the SFMTA exercises its option to remove a facility from the Facilities under this Agreement, Manager's monthly management fee will be reduced by $2 per space deleted from the Facilities. For example, if a 500-space facility is deleted in March 2023, the monthly management fee of $10,000 will be reduced by $1,000 ($2 x 500) to

$9,000. In the event that a facility is returned to service during the term of the Agreement, the Management Fee shall be reinstated in the same manner.

1.5 Annual Operating Budget. Manager shall prepare for SFMTA review not later than June 15 of each year during the term of the Agreement a proposed operating budget for each of the Facilities in accordance with Facility Regulations section 6.1. A proposed operating budget shall include all anticipated expenditures necessary to operate and maintain each of the Facilities, including all Reimbursable Expenses and management fees. The SFMTA and Manager shall confer and adjust the proposed annual budget as necessary. The SFMTA will include each annual operating budget in the Agency's annual budget. Following approval by the SFMTA, the Manager shall provide the Services in accordance with and within the limits of approved annual operating budgets. Manager shall not seek reimbursement for its costs and expenditures incurred in providing the Services, except as provided in an approved annual operating budget. The Manager must receive approval from the SFMTA's Director of Parking, or her/his designee, to seek reimbursement for any costs or expenditures that are not included in an approved annual operating budget. The SFMTA shall have no liability for any expenditure or any obligation to compensate Manager for any expense or cost incurred by Manager that is not included in an annual operating budget, unless the Director of Parking, or her/his designee, has authorized that expenditure in writing in advance of Manager incurring that cost or expense.

1.6 Maintenance Personnel and Contracting. Manager shall employ, or contract for, sufficient personnel to perform the routine maintenance and repair work at the Facilities in a prompt and efficient manner so as to keep the premises at all times in a first-class operating condition that is clean, safe and attractive, as specified in Appendix C, Maintenance Standards and Form of Maintenance Schedule. Manager acknowledges and agrees that this Agreement does not constitute a contract for construction and no part of this Agreement or the Services shall be deemed to be a contract for public work. The Services may include Manager's performance of minor repairs and cosmetic and aesthetic improvements to the Facilities. But Manager shall not perform work as part of the Services that would constitute construction or public works, as those terms are defined in applicable California law.

1.7 Subcontracting and Other Parking Business Operations.

(3) Subcontracting Must be Authorized. Except as otherwise authorized under this Agreement, to ensure the quality of work performed on the Facilities, Manager is prohibited from subcontracting any of its duties under this Agreement or any part of it unless such subcontracting is first approved by the Director in writing. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. An agreement made by Manager and a subcontractor that is in violation of this provision shall confer no rights on any party and shall be null and void.

(4) Notification of Other Parking Business Operations. Manager shall promptly notify the Director in writing of any parking-related business located or operating in San Francisco, California in which Manager has an interest, or in which Manager proposes to have an interest. Manager shall list in an appendix to this Agreement any parking-related business located or operating in San Francisco, California in which Manager has an interest, as well as the nature and extent of that

interest, as of the date of this Management Agreement. The SFMTA reserves the right to terminate this Management Agreement at no additional cost to the City if the SFMTA determines that Manager's interests in other parking business operations in San Francisco, California will adversely impact SFMTA revenues or adversely impact the quality of Manager's Services or otherwise are not in the best interests of the City. For purposes of this paragraph, a reportable interest shall be any ownership interest of five percent (5%) or greater.

2. 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.

3. Reports

Contractor shall submit written reports as requested by the SFMTA. 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. The reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

4. SFMTA Liaison

In performing the Services provided for in this Agreement, SFMTA's liaison with Contractor will **Rob Malone, Sr. Manager, Off-Street Parking, SFMTA, 1 South Van Ness Blvd., 8th floor, San Francisco, CA 94103; (415) 646-4528; Rob.Malone@SFMTA.com**

5. Garages Leased to Non-profit Parking Corporations

The Group B garages include two garages – Japan Center Garage and Portsmouth Square Garage – that are leased by the City to non-profit parking corporations. Specific terms and conditions related to the working relationship among SFMTA, the non-profit corporation and IMCO Parking at these locations are detailed in *Appendix E – Roles and Responsibilities Associated with the Management of Portsmouth Square Garage and the Japan Center Garages*.

6. Garage Group B

All that certain real property situated in the City and County of San Francisco, State of California described as follows:

1. Japan Center Garages

All that certain real property situated in the City and County of San Francisco, State of California described as follows:

That certain building located in the City and County of San Francisco, commonly known as the Japan Center Garages has two locations. The Main Garage is bounded by Geary Boulevard, Webster, Post and Laguna Streets (Parcel C). The Fillmore Street Annex Garage is bounded by Fillmore, Post, Webster Streets and Geary Boulevard (Parcel C).

Parcel "B" is privately owned and not in this Description of Garage Property.

The Premises includes, but is not limited to, that certain real property located in the City and County of San Francisco, more particularly described as follows:

All of that property situate in the City and County of San Francisco, State of California, and being a portion of Parcel "A" and "C" as said parcel is shown and delineated on that certain map entitled "Record of Survey Map of Japanese Cultural Center Garage" recorded September 7, 1965, in book "U" of Maps at pages 83 – 86 inclusive, in the Office of the Recorder of the City and County of San Francisco.

Parcel A - Walls:

BEGINNING at a point on the southerly line of Post Street distant thereon 45.63 feet easterly from the easterly line of Fillmore Street; running thence easterly along said southerly line of Post Street 362.50 feet; thence at a right angle southerly 175.75 feet to the northerly line of Geary Boulevard; thence at a right angle westerly along said northerly line of Geary Boulevard 354.50 feet; thence at a right angle northerly 44.38 feet; thence at a right angle easterly 0.33 feet; thence at a right angle northerly 60.52 feet; thence at a right angle westerly 45.00 feet; thence at a right angle northerly 36.47 feet; thence at a right angle easterly 36.67 feet; thence at a right angle northerly 34.38 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM the following described parcel:

BEGINNING at a point on a line parallel to and perpendicularly distant 1.50 feet southerly from the southerly line of Post Street, said point being perpendicularly distant 47.13 feet easterly from the easterly line of Fillmore Street; running thence easterly along said line drawn parallel to Post Street 359.50 feet; thence at a right angle southerly 172.75 feet; thence at a right angle westerly 351.50 feet; thence at a right angle northerly 104.90 feet; thence at a right angle westerly 45.00 feet; thence at a right angle northerly 33.47 feet; thence at a right angle easterly 36.67 feet; thence at a right angle northerly 34.38 feet to the POINT OF BEGINNING.

Parcel C - Walls:

BEGINNING at the point on the southerly line of Post Street distant thereon 9.67 feet easterly from the easterly line of Webster Street; running thence easterly along said southerly line of Post Street 683.33 feet; thence at a right angle southerly 95.875 feet; thence at a right angle easterly 1.50 feet; thence at a right angle southerly 100.875 feet to the northerly line of Geary Boulevard; thence at a right angle westerly along said northerly line of Geary Boulevard 378.83 feet; thence at a right angle northerly 8.37 feet; thence at a right angle southerly 0.67 feet; thence at a right angle westerly 108.33 feet; thence deflecting 2 degrees 58'01" to the right from the preceding course and running westerly 90.63 feet; thence deflecting 87 degrees 01'59" to the right from the preceding

course and running northerly 26.785 feet; thence at a right angle westerly 89.83 feet; thence at a right angle northerly 158.074 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM the following described parcel:

BEGINNING at a point on a line drawn parallel to and perpendicularly distant 1.50 feet southerly from the southerly line of Post Street, said point being perpendicularly distant 11.17 feet easterly from the easterly line of Webster Street; running thence easterly along said parallel line 680.33 feet; thence at a right angle southerly 95.875 feet; thence at a right angle easterly 1.50 feet; thence at a right angle southerly 97.875 feet; thence at a right angle westerly 375.83 feet; thence at a right angle northerly 8.37 feet; thence at a right angle westerly 20.33 feet; thence at a right angle southerly 0.67 feet; thence at a right angle westerly 106.79 feet; thence deflecting 2 degrees 58'01" to the right from the preceding course and running westerly 89.17 feet; thence deflecting 87 degrees 01'59" to the right from the preceding course running northerly 26.36 feet; thence at a right angle westerly 89.83 feet; thence at a right angle northerly 155.074 feet to the POINT OF BEGINNING.

2. Civic Center Garage:

The Civic Center Plaza Garage is a three level sub-surface 843-space parking facility, bounded by McAllister Street to the north, Grove Street to the south, Larkin Street to the east, and Dr. Carlton B. Goodlett Place to the west. The Garage has one entry, one exit and one reversible lane off McAllister Street between Polk Street and Larkin Street. It has a rectangular footprint with dimensions of approximately 400 feet in the east-west direction (along McAllister Street) and approximately 324 feet in the north-south direction (alone Larkin Street). Except for the surface elevator lobby, the surface park in not part of the garage premises.

3. Golden Gateway Garage:

Parcel 1: West Wing of Garage
Beginning at a point perpendicularly distance 17.50 feet southerly from the southerly line of Washington Street and perpendicularly distant 7.25 feet easterly from the easterly line of Battery Street; running thence easterly and parallel to said southerly line of Washington Street 243.25 feet to a point perpendicularly distant 368.25 feet westerly from the westerly line of Davis Street; thence at a right angle southerly 34.67 feet to a point perpendicularly distant 17.50 feet northerly from the northerly line of Clay Street and perpendicularly distant 368.25 feet westerly from the westerly line of Davis Street; thence at a right angle westerly parallel to said northerly line of Clay Street 243.25 feet to a point perpendicularly distant 17.50 feet northerly from the northerly line of Clay Street and perpendicularly distant 7.25 feet easterly from the easterly line of Battery Street; thence at a right angle northerly 240 feet to the Point of Beginning, lying below a horizontal plane at elevation 19.0 feet. Containing an area of 59,574.69 square feet, more or less.

Being a portion of 50 Vara Block 21 (Assessor's Block 205), as shown and delineated on

that certain map entitled, "Record of Survey Map of the Golden Gateway," recorded September 29, 1961 in Book "T" of Maps, at pages 22, 23, and 24, in the office of the County recorder of said City and County, and a portion of Merchant Street vacated pursuant to Resolution 29-63 approved by the Board of Supervisors of the City and County of San Francisco on January 14, 1963, and recorded October 29, 1963, in Volume A-668 of Official Records at page 933.

Also commonly known as Lot 20 in Assessor's Block 205.

4. Lombard Street Garage:

Commencing at a point on the southerly line of Lombard Street, distant thereon 87 feet, 6 inches westerly from the westerly line of Webster Street, and running thence westerly along said line of Lombard Street, 225 feet; thence at a right angle southerly 88 feet, 9 inches, to the northerly line of Moulton Street; thence at a right angle easterly along said line of Moulton Street, 225 feet; thence at a right angle northerly 88 feet, 9 inches to said southerly line of Lombard Street and the point of beginning; being Lot Nine in Assessor's Block 509 containing 19,969 square feet, more or less.
NOTE: The premises leased to the U.S. Postal Service also located on Lot Nine are not included in the Management Agreement.
Also known as Lot 63, Assessor's Block 3616.

5. North Beach Garage:

The Garage, built in 2002, is a five-story concrete/steel structure containing approximately 94,000 square feet of parking area. The Garage can accommodate 203 vehicles in self-park spaces.

Lot 29, as shown on that certain Map entitled, "PARCEL MAP" being a merger of the lands described in H235 OR 442 and 571 Deed 96 (Second Parcel), being a merger of a portion of 50 Vara Block 132, and also being a merger of Lots 23 and 25 of Tax Assessor's Block 0147, recorded July 6, 2000 in Book H673 at Page 531 as Instrument No. G796648, Official Records.

6. Performing Arts Garage:

Parcel 1:
Beginning at the point of intersection of the northerly line of Grove Street and the easterly line of Gough Street; running thence easterly along said line of Grove Street 330 feet to a point distant thereon 82 feet and 6 inches westerly from the westerly line of Franklin Street; thence at a right angle northerly 275 feet to the southerly line of Fulton Street; thence at a right angle westerly along said line of Fulton Street 27 feet and 6 inches; thence at a right angle southerly 137 feet and 6 inches to a line drawn parallel with and perpendicularly distant 137 feet and 6 inches northerly from the northerly line of Grove Street; thence at a right angle westerly along said parallel line so drawn 165 feet to a line drawn parallel with and perpendicularly distant 137 feet and 6 inches easterly from the easterly line of Gough Street; thence at a right angle southerly along last said parallel line so drawn 43 feet and 9 inches; thence at a right angle westerly 122.75 feet, more or

less, to the most easterly corner of that certain parcel of land described in the Deed from Lillie Gunther, a widow, to the State of California; thence southwesterly along the southeasterly line of the land described in said Deed, along an arc or a curve to the left, with a radius of 6,946 feet, a central angle of 0° 13' 46", an arc distance of 27.82 feet to the easterly line of Gough Street; thence southerly along said line of Gough Street 70.19 feet to the point of beginning, containing 42,966 square feet, more or less.

Parcel 2:

Beginning at a point on the easterly line of Gough Street distant thereon 237.5 feet northerly from the northerly line of Grove Street; and thence running easterly on a line parallel with and perpendicularly distant 137.5 feet northerly from said northerly line of Grove Street 42.348 feet to the true point of beginning of this description; thence continuing easterly on said parallel line 95.152 feet; thence at a right angle southerly 43.75 feet, thence at a right angle westerly 122.72 feet to the most easterly corner of that certain parcel of land described in the deed from Lillie Gunther, a widow, to the State of California, dated May 14, 1956, recorded June 15, 1956, in a Book 6863 of Official Records, at page 502, in the Office of the Recorder of the City and County of San Francisco, State of California; thence deflecting 122° 12' 58" to the right from the preceding course and running northeasterly 51.711 feet to the true point of the beginning, containing 4,766 square feet, more or less.

Parcels 1 and 2 are also known as Lot 29 in Assessor's Block 792.
Note: The two adjacent commercial storefronts located on Grove Street are not included in this Management Agreement.

7. Pierce Street Garage:

Pierce Street Garage is a three-level, above-ground, 116-space metered parking facility with an entrance at 3252 Pierce Street, between Lombard and Chestnut streets, in the Marina District of San Francisco. The garage has dimensions of approximately 203 feet in the north-south direction (along Pierce Street) and approximately 138 feet in the east-west direction (parallel to Lombard Street).

Also known as Lots 9 through 13, Assessor's Block 490.

8. Polk Bush Garage:

The Garage, built in 1991, is a five-story concrete/steel structure containing approximately 73,860 square feet of parking area. The Garage can accommodate 129 vehicles in self-park spaces. At ground level located along Grove Street of the Garage are commercial storefronts, which comprise an additional 3,700 square feet of improved area. Beginning at the point of intersection of the southerly line of bush Street and the easterly line of Polk Street; running thence easterly along said line of Bush Street 86 feet 6 inches; thence at the right angle southerly 120 feet to the southerly line of Fern Street; thence at a right angle westerly along said line of Fern Street 86 feet 6 inches to the easterly line of Polk street; thence at a right angle northerly along said line of Polk Street 120 feet to the

point of beginning.

Being a portion of Western Addition Block No. 14

9. **Portsmouth Square Garage**

That portion of that certain premises beginning at the point of intersection of the southerly line of Washington Street with the westerly line of Kearny Street; running thence southerly along said line of Kearny Street 275 feet to the northerly line of Clay Street; thence at a right angle westerly along Clay Street 204 feet and 2 inches to the easterly line of Brenham Place; thence at a right angle northerly along said line of Brenham Place 275 feet to the southerly line of Washington Street; thence at a right angle easterly along said line of Washington Street 204 feet and 2 inches to the point of beginning; excluding therefrom the Portsmouth Square Plaza on the roof of the parking garage, and the park improvements associated with the Portsmouth Square Plaza.

10. St. Mary's Square Garage:

Parcel 1: St. Mary's Square
The subsurface within that certain public park commonly known and designated as "St. Mary's Square" more particularly described as follows, to wit:
Commencing at a point on the northerly line of Pine Street, distant along said northerly line or its projection 185 feet 5 inches westerly from the westerly line of Kearny Street; running thence northerly at right angles to the said northerly line of Pine Street 80 feet 6 inches; thence at a right angle westerly 3 feet; thence at a right angle northerly 57 feet; thence at a right angle easterly 2 feet 6 inches; thence at a right angle northerly 137 feet 6 inches to the southerly line of California Street; running thence westerly along said southerly line of California Street 125 feet to the easterly line Quincy Street; thence southerly along said easterly line of Quincy Street 275 feet to the northerly line of Pine Street; and running thence easterly along said northerly line of Pine Street 125 feet 6 inches to the point of commencement.

Being potion of 50 Vara Block No. 93.

and the subsurface, surface and above-surface of the following described parcel:
Parcel 2: St. Anne St. – Formerly St. Mary's Place
Commencing at a point on the northerly line of Pine Street, distant thereon 167 feet 11 inches westerly from the westerly line of Kearny Street, said point of beginning also being the intersection of the northerly line of Pine Street with the former easterly line of St. Anne Street as said line of said street existed prior to its vacation by Resolution No. 11778 adopted December 5, 1951 by the Board of Supervisors; running thence westerly along said northerly line of Pine Street, or along the westerly prolongation thereof, 17 feet 6 inches to the former westerly line of St. Anne Street; thence at a right angle northerly 80 feet 6 inches; thence a right angle westerly 3 feet; thence at a right angle northerly 137 feet 6 inches to the southerly line of California St.; thence easterly along the last mentioned line, or along the easterly prolongation thereof, 18 feet to the former easterly line of St. Anne Street; and running thence at a right angle southerly along said last mentioned line 275 feet to the point of commencement.
and the subsurface, surface and above-surface of the following described parcel:

Parcel 3:
Commencing at a point on the northerly line of Pine Street, distant thereon 107 feet 11 inches westerly from the westerly line of Kearny Street; running thence westerly along said northerly line of Pine Street 60 feet to the former easterly line of St. Anne Street, as referred to above; thence at a right angle northerly along said former easterly line of St. Anne Street 275 feet to the southerly line of California Street; thence easterly along said southerly line of California Street 60 feet; thence at a right angle southerly 93 feet 6 inches; thence at a right angle 107 feet 11 inches to the westerly line of Kearny Street; thence southerly along said westerly line of Kearny Street 69 feet; thence at a right angle 39 feet 2 inches; thence at a right angle northerly 25 feet; thence at a right angle westerly 68 feet 9 inches; and thence at a right angle southerly 137 feet 6 inches to the point of commencement.

Being a portion of 50 Vara Block No. 93.
Note: Parcels 1, 2 and 3 are commonly known as Lot 3 in Assessor's Block 258.

11. **Sutter Stockton Garage**

The Sutter Stockton Garage is a 745,000 square foot, 1,865 space surface parking lot located at 444 Stockton Street in San Francisco, more fully described below:
Beginning at the point of intersection of the northerly line of Sutter Street with the easterly line of Stockton Street; running thence easterly along said line of Sutter Street 275 feet; thence at a right angle northerly 126 feet to the southerly line of Harlan Place; thence at a right angle westerly along said line of Harlan Place 23 feet and 1-3/8 inches to a point distant thereon 130 feet and 10-5/8 inches westerly from the westerly line of Grant Avenue; thence northerly at a right angle to said line of Harlan Place 23 feet to the northerly line of said Harlan Place; thence continuing northerly 58 feet and 0-1/2 of an inch to a point which is perpendicularly distant 130 feet and 8-1/8 inches westerly from the westerly line of Grant Avenue and also perpendicularly distant 67 feet and 11-1/2 inches southerly from the southerly line of Bush Street; thence easterly parallel with said southerly line of Bush Street 23 feet and 2-1/8 inches; thence at a right angle northerly 67 feet and a 11-1/2 inches to the southerly line of Bush Street; thence at a right angle westerly along said line of Bush Street 137 feet and 6 inches to a point distant thereon 137 feet and 6 inches easterly from the easterly line of Stockton Street; thence southerly at a right angle to said line of Bush Street 137 feet and 6 inches; thence at a right angle westerly 137 feet and 6 inches to the easterly line of Stockton Street; thence at a right angle southerly along said line of Stockton Street 137 feet and 6 inches to the point of beginning.

Parcel 2: East Wing of Garage
Beginning at a point on the westerly line of Davis Street, distant thereon 17.50 feet southerly from the southerly line of Washington Street; running thence southerly along said westerly line of Davis Street 240 feet to a point distant thereon 17.50 feet northerly from the northerly line of Clay Street; thence at a right angle westerly, parallel to said northerly line of Clay Street 243.25 feet; thence at a right angle northerly 34.67 feet; thence at a right angle westerly 7.00 feet; thence at a right angle northerly 170.66 feet; thence at a right angle easterly 7.00 feet; thence at a right angle northerly 34.67 feet to a

point perpendicularly distant 17.50 feet southerly from the southerly line of Washington Street and perpendicularly distant 243.25 feet westerly from the westerly line of Davis Street; thence at a right angle easterly parallel to said south line of Washington Street 243.25 feet to the Point of Beginning, lying below a horizontal plane at elevation 19.0 feet. Containing an area of 59,574.69 square feet, more or less.

Being a portion of 50 Vara Block 8 (Assessor's Block 204), as shown and delineated on that certain map entitled, "Record of Survey Map of the Golden Gateway," recorded September 29, 1961 in Book "T" of Maps, at pages 22, 23, and 24, in the office of the County recorder of said City and County, and a portion of Merchant Street vacated pursuant to Resolution 29-63 approved by the Board of Supervisors of the City and County of San Francisco on January 14, 1963, and recorded October 29, 1963, in Volume A-668 of Official Records at page 933.

Also commonly known as Lot 20 in Assessor's Block 204.

12. Vallejo Street Garage:

The Garage, built in 1969, is a five-story concrete/steel structure, containing 70,760 square feet of parking area. The Garage can accommodate 163 vehicles in self-park spaces.

Beginning at the point on the northerly line of Vallejo Street, distant thereon 88 feet 9 inches easterly from the easterly line of Powell Street; running thence easterly along the northerly line of Vallejo Street 102 feet 9 inches, more or less, to the westerly line of Emery Lane; thence northerly along last named line 137 feet 6 inches; thence at a right angle westerly 102 feet 9 inches to a point on a line parallel with and perpendicularly distant 88 feet 9 inches easterly from the easterly line of Powell Street; thence at a right angle southerly 137 feet 6 inches to the northerly line of Vallejo Street and the point of beginning.

Also known as Lot 43 in Assessor's Block 130.

Appendix B
Calculation of Charges

1. Compensation

1.1 Management Fee and Reimbursement of Operating Expenses.

(1) Manager shall be paid a monthly Management Fee of Ten Thousand Dollars ($10,000) for Services performed by it under this Agreement. Beginning the sixth anniversary of the Effective Date (and also at the eighth anniversary of the Effective Date, if the term is extended), the monthly Management Fee will be increased by five percent (5%). Provided Manager is not in default under this Agreement, or an event has not occurred that, with the giving of notice or the passage of time, would constitute a default, the Management Fee shall be due and payable under the requisition procedure required by **Section 6.9 of the Facility Regulations**, provided the SFMTA receives the Monthly Report required by **Section 6.8 of the Facility Regulations**. Should the Commencement Date or the Expiration Date occur on any day other than the first day of a calendar month, the Management Fee for that particular month shall be prorated based on a 30-day month.

(2) Manager shall be entitled to reimbursement from the SFMTA for all Operating Expenses properly incurred and paid by Manager in the performance of Manager's duties hereunder and as specified in the approved annual operating budget (Budget) in accordance with the Facility Regulations. Such reimbursement shall be subject to Manager's compliance with the submittal procedures set forth in the Facility Regulations and shall be subject to all City approvals required under this Agreement. The SFMTA's obligation to reimburse Manager for wages, salaries or benefits is limited to reimbursement for time that employees of Manager are actually working at the Facilities for the benefit of the SFMTA. Manager shall not be reimbursed for overhead expenses that have not been specifically set out as reimbursable expenses. All costs not identified as reimbursable expenses shall be borne by Manager.

(3) The City shall make all payments to Manager at the address specified in **Section 11.1** (Notice Requirements).

1.2 Labor Costs. The SFMTA shall not be required to reimburse Manager for wages beyond the amounts Manager actually incurred, subject to documented proof. The SFMTA shall not be obligated or liable to reimburse Manager its costs of discretionary increases in wages or benefits that are not included in an approved annual operating budget without the prior express written authorization of the SFMTA's Director of Parking.

1.3 Payment Does Not Imply Acceptance of Work. The granting of any payment by the SFMTA, or the receipt thereof by Manager, shall not imply acceptance by the SFMTA or the City of any report required by this Agreement, nor shall such payment lessen the liability of Manager to replace unsatisfactory work, equipment, or materials, although the unsatisfactory character of such work, equipment or materials may not have been apparent or detected at the time such payment was made. Materials, equipment, components, or workmanship that do not conform to the requirements of this Agreement may be rejected by the SFMTA and in such case must be replaced by Manager without delay. For purposes of this Agreement, payment includes reimbursement of Operating Expenses and the Management Fee.

1.4 Late Charges. Any revenues or monies, if not deposited or transferred as specified in the Facility Regulations, shall bear interest from the due date until deposited at the rate of the prime rate of the financial institution holding the accounts plus three percent (3%) per year or, if a higher rate is legally permissible, at the highest rate permitted under law. However, interest shall not be payable on late charges incurred by Manager nor on any amounts on which late charges are paid by Manager to the extent this interest would cause the total interest to be in excess of that which is permitted by law. Payment of interest shall not excuse or cure any default by Manager. The late payment charge constitutes liquidated damages to compensate the SFMTA for its damages resulting from such failure to pay and shall be paid to the SFMTA together with such unpaid amount. The late payment charge has been agreed upon by the SFMTA and Manager, after negotiation, as a reasonable estimate of the additional administrative costs and detriment the SFMTA will incur as a result of any such failure by Manager, the actual costs thereof being extremely difficult, if not impossible, to determine.

1.5 Fees During Suspended Operations. If for any reason whatsoever, any condition prevents the operation of one or more of the Facilities or any portion thereof at any time for more than thirty (30) consecutive days, the Management Fee shall be adjusted on a pro rata basis by determining the total number of parking spaces affected as a percentage of the total number of parking spaces under management under this Agreement, and reducing the Management Fee otherwise due by an equivalent percentage, commencing from the expiration of such 30-day period and continuing until the earlier of (i) date the condition affecting the Facility or Facilities has been abated and normal operations of the Facilities has resumed or (ii) the termination of this Agreement. This paragraph shall not apply to the deletion of a Facility under **Appendix A, Section 1.5** of this Agreement.

1.6 Limitations on Payment of Fees. The City's obligation for payment of Management Fees and reimbursement of Operating Expenses claimed by Manager in the performance of this Agreement shall not exceed the amount listed in the line item in the Approved Budget for each such fee or expense identified by Manager as the source for reimbursement under the Approved Budget. The City's obligation for payment of Management Fees and reimbursement for Operating Expenses in the aggregate shall not exceed the total Approved Budget for these items, unless pre-approved by the SFMTA in writing.

1.7 Guaranteed Maximum Costs. The City's obligation hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by City ordinances governing emergency conditions, the SFMTA or the City and their employees and officers are not authorized to request Manager to perform services or to provide materials, equipment and supplies that would result in Manager performing services or providing materials, equipment and supplies that are beyond the scope of the services, materials, equipment and supplies agreed upon in this Agreement (unless this Agreement is amended in writing and approved as required by law to authorize the additional services, materials, equipment or supplies). The SFMTA is not required to reimburse Manager for services, materials, equipment or supplies that are provided by Manager that are beyond the scope of the services, materials, equipment and supplies agreed upon in this Agreement and which were not approved by a written amendment to this Agreement lawfully executed by the SFMTA.

(1) Approval Required For Additional Funding. The SFMTA, the City and their employees and officers are not authorized to offer or promise to Manager additional funding for this Agreement that would exceed the maximum amount of

funding provided for herein for Manager's performance hereunder. Additional funding for this Agreement in excess of the maximum provided in this Agreement shall require lawful approval by the SFMTA and certification by the Controller. The City is not required to honor any offered or promised additional funding that exceeds the maximum that has been certified by the Controller and approved by the SFMTA.

(2) Payments Must Be Authorized. The Controller and Director are not authorized to make payments on any contract for which funds have not been certified as available in the budget or by a supplemental appropriation.

Appendix C
Maintenance Standards and Form of Maintenance Schedule

The goal of the SFMTA is to provide the public, at all times, safe, clean, sanitary, well-lighted, and efficient facilities. The following maintenance standards are designed to achieve this goal.

1. Lighting. All lights must be in working order and bright enough to convey a sense of safety, especially in and around stairways and restrooms. Burned-out bulbs or lamps must be replaced within twenty-four (24) hours. Non-working fixtures must be repaired or replaced with energy efficient fixtures within seventy-two (72) hours. Bulbs or lamps must be secured and must be the same color. Emergency lights must be inspected at least once each month and non-operating battery packs must be changed within one (1) week.

2. Walls & Fences. All walls must be kept clean and free of stains, dirt and graffiti. Special attention shall be given to restrooms and their surrounding areas. Graffiti must be removed or painted over within forty-eight (48) hours. Black marks from bumpers must be painted over as needed but, in no event, not less than once a month.

3. Odors. Foul odors must be removed within twenty-four (24) hours. Special attention shall be given to walkways, restrooms and their surrounding areas. Stairwells and sidewalks must be steam cleaned as needed but, in no event, not less than once a month.

4. Cleaning. The entire Facility must be cleaned daily, including interior and exterior walkways, restrooms, parking areas and sidewalks. Parking areas and Facility floors must be swept, grease and oil must be removed, foul odors must be deodorized, pigeon droppings must be removed, and all litter must be removed.

5. Steam Cleaning. Steam cleaning of each facility in its entirety shall be performed on a semi-annual basis. At the discretion of the Director, steam cleaning may be required to be performed less frequently if the facilities, including interior walkways, are maintained in a clean and orderly state.

6. Ventilation Equipment (if applicable). Thorough cleaning of all ventilation system supply and exhaust vents shall be performed on a semi-annual basis.

7. Windows (where applicable). All windows, mirrors and glass cases must be cleaned as needed but, in no event, not less than once a month. All windows visible to the public must be inspected daily and cleaned as needed.

8. Signs. Signs must be easily understood and professionally made; not hand printed or copy machine reproduced. Manager will be allowed to post nonprofessional signs only in case of an emergency, but the emergency signs must be replaced within one week. Signs must also be repaired or replaced promptly when damaged.

9. Plants. Landscaping at each garage, and the Manager's requirements for care, should be outlined for every garage and facility. Selection of plants, etc. requires approval of the SFMTA

10. Safety Equipment. Equipment including fire alarm call boxes, fire extinguishers, and fire hose units must be maintained in good working order and inspected at least once a month. Closed circuit cameras and the intercom system must be inspected at least once a week.

11. Structural Inspections. Structural inspections, including water leaks, exposed rebar, concrete cracks and metal rust must be performed not less than once a year.

12. Sidewalk Inspections. Inspections of the sidewalks abutting the Facility for the presence of any sidewalk tripping hazards, including tree planting areas not at sidewalk grade, must be performed once a month. In the event any hazards are observed, such hazards shall be reported immediately to the Director.

13. Other Work. All other ordinary maintenance and repair work of the premises and equipment shall be done as needed.

14. Instructions. The SFMTA reserves the right to instruct Manager to clean or repair any item which falls under the category of routine maintenance and repair.

If the maintenance standards are not followed, the SFMTA may give written notice and the work must be completed within seventy-two (72) hours thereafter. Nonperformance may result in the SFMTA causing such work to be done at the expense of Manager. Repeated instances of nonperformance will result in Manager being deemed ineligible to bid on future SFMTA Management Agreements.

FORM OF MAINTENANCE SCHEDULE

[Parking Facility Name]

Lights	**Daily**	**Weekly**	**Monthly**	**Quarterly**	**Semi-Annually**	**Annually**
Inspect lights	X					
Replace burned-out bulbs	X					
Inspect broken fixtures	X					
Replace discolored covers	X					
Cleaning						
Elevator areas	X					
Stairwell areas	X					
Bathroom & lobbies	X					
Parking areas	X					
Pick up litter	X					
Cashier booths/stations	X					
Windows	X					
Steam clean stairwells			X			
Ventilation vents				X		
Steam-clean garage					X	
Painting						
Paint over graffiti	X					
Paint over foreign marks		X				
Touch-up				X		
Inspect striping				X		
Elevators (if applicable)						
Inspect elevator operations	X					
Professional periodic maintenance					X	
Professional inspection						X
Landscaping						
Inspect irrigation system				X		
Remove weeds		X				
Prune trees and plants					X	
Signs						
Inspect signs	X					
Repair/replace damaged signs		X				
Mechanical						
Doors open and lock properly	X					
Inspect parking equipment	X					
Inspect HVAC operations				X		
Safety						
Inspect emergency lights	X					
Inspect exit lights	X					
Inspect sidewalks	X					
Inspect fire alarm/equipment	X					
Inspect/Service closed-circuit camera system				X		
Structural						
Inspect for water leaks		X				
Inspect floors for exposed rebar				X		
Inspect concrete for cracks				X		
Inspect metal for rust				X		

Appendix D

Parking Facility Operation and Management Regulations

Effective Date: February 1, 2023

Approved: Ted Graff, Director of Parking

TABLE OF CONTENTS

1. DEFINITIONS 2

2. SCOPE AND APPLICATION 9

3. DUTIES OF MANAGER 8

4. EQUIPMENT AND CAPITAL IMPROVEMENTS 18

5. MAINTENANCE AND REPAIRS 19

6. FISCAL DUTIES AND MATTERS 21

1. DEFINITIONS

For purposes of these Regulations and any Facility Management Agreement between a Manager and (1) the San Francisco Municipal Transportation Agency ("SFMTA") and/or the Parking Authority of the City and County of San Francisco (Parking Authority), or (2) a nonprofit Corporation that has leased one or more parking garages from the City and County of San Francisco (City) that is subject to these Regulations, initially capitalized terms shall have the meaning ascribed to them in this Section 2 unless otherwise specified.

1.1 "Advertising Revenue" means any revenue generated under an agreement between the City and County of San Francisco and an advertising vendor (currently Titan Outdoor LLC), for advertising on SFMTA vehicles and other property.

1.2 "After Hours Exit Fee" means the fee charged by a Manager to a customer to retrieve a vehicle from a Facility after the Facility has closed.

1.3 "Agency/Corporation" means either the SFMTA when used in reference to a Management Agreement between a Manager and SFMTA, or a Corporation when used in reference to a Management Agreement between a Manager and a Corporation.

1.4 "Agents" means the officers, directors, employees, agents, contractors, licensees and subtenants of a referenced Party, and their respective heirs, legal representatives, successors and assigns.

1.5 "Management Agreement" means an agreement under which a Facility Manager agrees to operate and manage any Facility that is under the jurisdiction of the San Francisco Municipal Transportation Agency or the Parking Authority of the City and County of San Francisco, including any such Facility leased to a Corporation.

1.6 "Banking Day" means any day which is not a Saturday or Sunday or a day on which banking institutions are authorized or required by law or by the Federal Reserve System to be closed in San Francisco, California for commercial banking purposes.

1.7 "Budget" (also **"Approved Budget"**) means the itemized annual projection of individual Facility gross revenues, authorized capital expenditures and authorized operating expenses prepared by Manager and requiring approval by the SFMTA as set forth in these Parking Facility Regulations.

1.8 "Carpool" means a vehicle containing three or more people upon first entry into a Facility.

1.9 "City" means the City and County of San Francisco, and its departments and agencies, and officers and employees. For purposes of these regulations, "City" shall also include the Parking Authority of the City and County of San Francisco.

1.10 "Controller" means the Controller of the City.

1.11 "Corporate Manager" means the Manager of a Corporation or his or her designee.

1.12 "Corporation" means a non-profit public benefit corporation, formed to assist the City and SFMTA or its predecessors in the operation and management of one or more Facilities, which are leased from the City.

1.13 "Credit Card Data" and "Credit Card Information" means the Primary Account Number (PAN), credit card number, Credit Card Verification Code (CCV), Credit Card Expiration date and cardholder name associated with a credit card or credit card account.

1.14 "Director" means the Director of Transportation or his or her designee.

1.15 "Director/Corporate Manager" means either the Director when used in reference to a Management Agreement between a Manager and SFMTA, or the Corporate Manager when used in reference to a Management Agreement between a Manager and a Corporation.

1.16 "Environmental Laws" means any present or future federal, state or local Laws or policies relating to Hazardous Material (including, without limitation, its use, handling, transportation, production, disposal, discharge or storage) or to human health and safety, industrial hygiene or environmental conditions in, on, under or about the Facilities, the Land or any other property, including, without limitation, soil, air and groundwater conditions.

1.17 "Facility" means the land and all improvements of the City-owned or administered off-street parking garages and lots, including any such garage leased to a Corporation, as well as the land and all improvements of any off-street parking garages owned or otherwise controlled by the Parking Authority described in a Management Agreement.

1.18 "Facility Regulations" means these Parking Facility Operation and Management Regulations promulgated by the SFMTA, as amended from time to time.

1.19 "Fiscal Year" means the period beginning July 1 and ending June 30, except in the case of a Management Agreement with certain non-profit parking corporations, in which case, "Fiscal Year" shall mean May 1 and ending April 30.

1.20 "Gross Revenues" means all revenues, from whatever source, but excluding any Advertising Revenues generated by the SFMTA Advertising Contract, received by a Manager or any subcontractor or vendor, from the operation of any Facility and from any income-generating activity carried on therein, including, but not limited to, the following: (1) revenues received from the operation of the Facility for daily and monthly parking of vehicles therein; (2) revenue paid to a Manager in connection with any ancillary services provided at or in connection with any Facility as may be approved by the Agency/Corporation under *Section 3.1* of these Facility Regulations; (3) the selling price of all merchandise or services sold or otherwise provided for exchange in, on, or about the Facility in the ordinary course of business by Manager except any returned merchandise; (4) all charges or claims of credit of any character made by Manager or a vendor under contract to Manager or otherwise under Manager's control for the rendering of any service or work of any kind conducted in, on, about or from the Facility; (5) the gross amount of all deposits forfeited by Facility customers and retained or received by Manager in connection with the operation of the Facility, all After Hours Exit Fee charges, all valet no-key charges, and all refundable deposits subsequently returned to the depositor; (6) all interest or

investment earnings received from the Gross Revenues deposited in the Revenue Account; (7) commercial rents and fees collected for display and storage rental, and/or other commercial uses approved in accordance with *Section 3.1* of these Facility Regulations; (8) the value of any in-kind services received by the Manager in exchange for a benefit derived from the use of the Facility; and (9) the amount of all Parking Taxes payable from the operation of the Facility.

1.21 "Grace Period" means the limited periods and specific conditions during which the otherwise applicable Parking Rates shall not be charged. These conditions are: (1) a turnaround (immediate in/out) upon entry into a Facility, (2) the time between when payment is made at a pay station or central cashier location and when the vehicle exits the Facility, and (3) when a customer is paying a Parking Rate calculated by a defined increment of time and the time on the Parking Ticket shows that the customer has exceeded the last full increment of parking. Specific time increments for each category of Grace Period are set forth in *Section 3.2(c)* of these Facility Regulations.

1.22 "Hazardous Material" means any material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health, welfare or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA," also commonly known as the "Superfund" law), as amended, (42 U.S.C. Sections 9601 et seq.) or pursuant to the Carpenter-Presley-Tanner Hazardous Substance Account Act, as amended, (Cal. Health & Safety Code Section 25300 et seq.) or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of any existing improvements on the Land, any improvements to be constructed on the Land by or on behalf of Manager or the City, or are naturally occurring substances on, in or about the Land; and petroleum, including crude oil or any fraction thereof, and natural gas or natural gas liquids.

1.23 "Hazardous Material Claims" means any and all enforcement, Investigation, Remediation or other governmental or regulatory actions, agreements or orders threatened, instituted or completed pursuant to any Environmental Laws, together with any and all Losses made or threatened by any third party against the City, its Agents, or the Land, a Facility or any Improvements, relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence, release or discharge of any Hazardous Materials, including, without limitation, Losses based in common law. Hazardous Materials Claims include, without limitation, Investigation and Remediation costs, fines, natural resource damages, damages for decrease in value of the Land, a Facility or any Improvements, the loss or restriction of the use or any amenity of the Land, a Facility or any Improvements, and attorneys' fees and consultants' fees and experts' fees and costs.

1.24 “Holiday” means those days on which the following holidays are celebrated in California: New Year’s Day, Martin Luther King, Jr. Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

1.25 "Invitees" means the clients, customers, and invitees to the Facility.

1.26 Investigation” when used with reference to Hazardous Material means any activity undertaken to determine the nature and extent of Hazardous Material that may be located in, on, under, or about the Land, a Facility and any other improvements or any portion thereof or which have been, are being, or threaten to be released into the environment. Investigation shall include, without limitation, preparation of site history reports and sampling and analysis of environmental conditions in, on, under or about the Land, a Facility or any other improvements.

1.27 “Land” means the land on which a Facility is located.

1.28 “Law” means any law, statute, ordinance, resolution, regulation (including these Facility Regulations), proclamation, order or decree of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over a Facility, the Land, Manager’s operations or employees or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties.

1.29 “Losses” means any and all claims, demands, damages, liens, liabilities, penalties, fines, lawsuits and other proceedings, judgments and awards rendered therein, and costs and expenses including but not limited to reasonable attorneys' fees and costs arising from any injury to or death of any person (including employees of Manager) or damage to or destruction of any property (including the Facility) occurring in, on, or about the Facility premises, or any part thereof, from any cause whatsoever.

1.30 “Management Fee” means the amount set forth in a Management Agreement as compensation for operation and management of one or more Facilities.

1.31 “Manager” for purposes of these Regulations means any entity that is party to a Management Agreement with the SFMTA or a Corporation for the management of one or more Facilities. When used in a Management Agreement, “Manager” shall mean the entity that is a party to that Management Agreement and is responsible for the management and operations of the Facility/ies named in the Management Agreement.

1.32 “Merchant Account” is a type of bank account that allows businesses to accept payments in multiple ways, typically debit or credit cards. A merchant account is established under an agreement between an acceptor and a merchant acquiring bank for the settlement of payment card transactions. In some cases, a payment processor, independent sales organization (ISO), or member service provider (MSP) is also a party to the merchant agreement. Whether a merchant enters into a merchant agreement directly with an acquiring bank or through an aggregator, the agreement contractually binds the merchant to obey the operating regulations established by the card associations.

1.33 "Merchant of Record" is the organization that accepts payment for goods or services, which an acquiring bank (i.e., the financial institution that processes the customer's credit and/or debit card payments) will hold financially liable for all full and partial returns to the customer's card as well as any chargebacks initiated by the customer. For purposes of these Regulations, a Manager shall be the Merchant of Record in any transaction in which a credit card is used to pay parking fees or other charges ancillary to parking in a Facility.

1.34 "**Monthly Credential"** means either an access card (electronic key card used to access a Facility) or Automatic Vehicle Identification (AVI) windshield tag (which is a passive Ultra high frequency (UHF) ID-tag used to access a Facility) issued to users, as set forth in these Regulations.

1.35 "Monthly Report" shall have the meaning given such term in *Section 6.8* of these Regulations.

1.36 "New Account Activation Fee" means the non-refundable amount charged to activate a new monthly customer's Access Card based on the Parking Rates set in accordance with *Section 3.2(a)* of these Regulations.

1.37 "Occurrence" means an accident, theft, damage or other event of loss giving rise to a claim against the insurance policies described in an Agreement.

1.38 "Operating Expenses" means actual costs, with detailed and definitive documentation, to Manager without mark-up that are directly associated with performance of Manager's obligations under a Management Agreement for: (1) salaries, payroll taxes, workers' compensation and other payroll expenses; (2) utility services; (3) repair and maintenance of equipment, furnishings and painted surfaces; (4) routine maintenance and repair, and for cleaning of the Premises, including, without limitation, expenses related to vandalism or other damage to gates, equipment, supplies or the Premises; (5) parking tickets, supplies and equipment; (6) license and permit fees not related to an alteration of the physical plant of a Facility; (7) Garage Keeper's Liability and all other insurance required by a Management Agreement; (8) the cost of any bonds required by a Management Agreement, but only to the extent that such bonds protect only the City's or the Corporation's interests; (9) pre-approved deductible amounts paid in accordance with any insurance policy required by a Management Agreement except as excluded in (b) below; (10) sales taxes and all other taxes resulting from operation of the Premises, except Parking Taxes, (11) real property taxes and possessory interest taxes; (12) courier deposit services, (13) settlements for claims against a Manager that are not paid by insurance carriers and do not result from Manager's negligence or willful misconduct, (14) pre-approved credit-card fees related to Facility revenues processed by a third-party gateway/merchant-services provider under contract with the Manager, and (15) all other costs and expenses of Manager that are approved by the SFMTA and, if required, by the Corporation. Operating Expenses shall not include: (a) penalties or fees resulting from Manager's late payment of taxes, bills, or other charges; (b) insurance deductibles or other payments or costs resulting from theft, employee negligence, dishonesty, or other acts of malfeasance; (c) Manager's overhead costs that are not directly attributable to its operation of a Facility; (d) attorneys fees or costs incurred in connection with any dispute with the City

or a Corporation; or (e) costs to repair damage to a Facility resulting from Manager's and/or Manager's employees' willful, intentional or grossly negligent acts.

1.39 "Parking Authority" means the Parking Authority of the City and County of San Francisco.

1.40 Parking Authority Commission" means the Commission of the Parking Authority of the City and County of San Francisco.

1.41 "Parking Rates" means the fees, including any variable rates imposed to regulate occupancy levels, set by the SFMTA to be charged by a Manager and collected from customers parking vehicles in a Facility. The Parking Rates are set in accordance with *Section 3.2* of these Regulations.

1.42 "Parking Taxes" means the Tax on Occupancy of Parking Space in Parking Stations, as imposed by Article 9 of the San Francisco Business and Tax Regulations Code, beginning with Section 601 thereof, and any successor ordinances or amendments thereto, or any other federal, state or local tax or fee imposed on the occupancy of parking spaces.

1.43 "Parking Ticket" means the record provided by the Manager to the customer setting forth the time and date that the customer's vehicle entered the Facility that is used by the Manager to determine the Parking Rate due from the customer.

1.44 "Party" means the Agency/Corporation or a Manager; "Parties" means both the Agency/Corporation and the Manager.

1.45 "PCI DSS" means Payment Card Industry Data Security Standards, a proprietary information security standard for organizations that handle branded credit cards from the major card schemes including Visa, MasterCard, American Express, Discover, and JCB that all users, processors, and banks utilizing credit cards must follow, as mandated by the card brands and administered by the Payment Card Industry Security Standards Council. PCI DSS requirements are set out at https://www.pcisecuritystandards.org. See *Section 6.3* of these Regulations.

1.46 "Premises" means the Land on which a Facility is located and improvements upon those lands.

1.47 "Release" when used with respect to Hazardous Material means any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside a Facility or any other improvements constructed hereunder by or on behalf of Manager, a Corporation or the City, or in, on, under or about the Land or a Facility or any portion thereof.

1.48 "Remediation" when used with reference to Hazardous Material means any activities undertaken to clean up, remove, contain, treat, stabilize, monitor or otherwise control Hazardous Materials located in, on, under or about a Facility, the Land or which have been, are being, or threaten to be Released into the environment. Remediation includes, without limitation, those actions included within the definition of "remedy" or "remedial action" in

California Health and Safety Code Section 25322 and “remove” or “removal” in California Health and Safety Code Section 25323.

1.49 “Revenue Account” means the account into which a Manager is required to deposit Gross Revenues in accordance with *Section 6.5* of these Regulations.

1.50 “San Francisco Municipal Transportation Agency” or “SFMTA” means the Municipal Transportation Agency, an agency of the City and County of San Francisco established by San Francisco Charter Article VIIIA, a successor the former Department of Parking and Traffic, and any successor agency to the SFMTA.

1.51 “SFMTA Property” means supplies, equipment and furnishings required for performance of the management and supervision services in the operation of a Facility, including but not limited to, maintenance and cleaning equipment, tools, office and accounting equipment and office furnishings.

1.52 “Stored Vehicle” means a vehicle parked continuously for more than seven (7) days in a Facility.

1.53 “Tax Collector” means the Tax Collector of the City.

1.54 “Term” means the period in which a Management Agreement is in effect, commencing on the Effective Date and terminating on the last day of the Management Agreement’s Term, unless extended or earlier terminated.

1.55 “Treasurer” means the Treasurer of the City.

1.56 “Valet Parking” means parking of customer vehicles by a Manager.

1.57 “Valet Assisted Parking” means parking of customer vehicles by customers as directed by a Manager.

2. SCOPE AND APPLICATION

2.1 These Facility Regulations shall apply to the management and operation of any off-street parking garages or lots (collectively, "Facilities") owned by the City and County of San Francisco, the SFMTA or owned or otherwise controlled by the Parking Authority of the City and County of San Francisco, which are subject to a Management Agreement between the SFMTA or a Corporation and a Manager. The effective date of these regulations shall be February 1, 2023, or upon the effective date of the garage management contracts awarded from the SFMTA’s Request for Proposals, dated January 27, 2022, whichever date is later.

2.2 In the event of a conflict between the terms of these Facility Regulations and the terms of any Management Agreement subject to these Regulations, the terms of these Regulations shall control.

2.3 Any deviation by the Manager of a Facility from the procedures outlined in these Facility Regulations must be pre-approved, in writing, by the Agency (and Corporation, if applicable).

2.4 These Facility Regulations may be amended by the Director following notice and an opportunity to comment. SFMTA shall provide notice in writing to all Managers Corporations.

2.5 Waiver. The omission by either party to a Management Agreement subject to these Facility Regulations at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions of the Management Agreement or these Facility Regulations 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. No waiver of any of the provisions of such Management Agreement or these Facility Regulations shall be effective unless in writing and signed by an authorized representative of the party (City, Corporation or Manager), and only to the extent expressly provided in such written waiver. No waiver shall be deemed a subsequent or continuing waiver of the same, or any other, provision of the Management Agreement or these Facility Regulations.

3. DUTIES OF MANAGER

3.1 General Operational Duties. A Manager shall (i) supervise the proper and efficient parking of all vehicles utilizing each Facility, (ii) maximize the accessibility and safe use of the space available in each Facility, (iii) use best efforts to maximize the revenues generated by each Facility, (iv) maintain the Facilities assigned to it in overall professional and clean manner, (v) provide quarterly surveys of rates and operating policies in of other parking facilities (garages and lots) located within a distance to be determined by the SFMTA for each Facility assigned to it, and (vi) manage the parking of vehicles in each Facility using best practices and in a professional manner. In addition to the foregoing general duties, a Manager shall be responsible for the following specific duties:

(a) Daily Parking. A Manager shall charge, collect and deposit (in accordance with *Section 6.5* below) the daily Parking Rate from all daily users of each Facility and shall collect and account for all issued tickets, as well as any transient parking transactions that do not involve issuance of a parking ticket. A Manager shall provide each customer with a machine-generated receipt as mandated by Article 22 of the San Francisco Business and Tax Regulations Code. A Manager shall establish and maintain a Parking Ticket system for daily users of each Facility in a form prescribed and approved by the City and in accordance with all Laws. A Manager shall procure all Parking Tickets to be issued at the Facilities, which is a reimbursable expense. A Manager shall issue a Parking Ticket from the ticket dispenser to the operator of each vehicle entering each Facility unless the vehicle operator enters using a valid monthly access card, prepaid debit card, or other authorized means of prepayment or entry. The Manager, employees of the Manager and all vendors performing work at the Facilities must be issued a ticket; Garage employees and vendors shall not enter a Facility without pulling a ticket. Each parking ticket that is issued shall be date and time stamped to indicate arrival and departure of the vehicle and shall also be

stamped upon payment with the charged amount, as mandated by Article 22 of the San Francisco Business and Tax Regulations Code. The operator of each vehicle for which a Parking Ticket is issued shall pay the current posted Parking Rate, as amended from time to time by the SFMTA Board of Directors. In accordance with Section 2218 of Article 22 of the San Francisco Business and Tax Regulations Code, a Manager shall maintain, in San Francisco, all paid Parking Tickets, and all log files and journal tapes generated by the revenue control equipment for a period of not less than five (5) years.

(i) Altered Parking Tickets. Any alteration to the dates or times of occupancy or charge different from the applicable posted rate must be approved by a Facility Manager who must state in writing on the Parking Ticket the reason for the change. Any changes made without such approval and written explanation shall be disregarded, and the Parking Ticket shall be deemed to have been collected in accordance with the date and time of entry and exit stamped on the Parking Ticket and the current Parking Rate approved by the SFMTA Board of Directors, and such amount shall be included in the Gross Revenues due and remitted to the Agency/Corporation in accordance with the requirements of *Section 6.6* of these Facility Regulations, whether or not such amount is actually received by the Manager from the customer.

(ii) Lost Parking Tickets. In the event that a customer should claim to have lost their parking ticket, the following procedure and rules shall apply.

3. The Manager shall verify when the vehicle entered the Facility using the License Plate Recognition (LPR) system. Manager will then create a new ticket and charge the actual cost based on the length of stay and the posted rates at the Facility.

4. For each lost Parking Ticket, the Manager shall include the amount for lost Parking Tickets specified in the current Parking Rate approved by the SFMTA Board of Directors in the Gross Revenues due to the Agency/Corporation in accordance with the requirements of *Section 6.6* of these Facility Regulations, whether or not such amount is actually received by the Manager from the customer.

(iii) Other Irregular Parking Tickets. Any other Parking Tickets for which payment is not received and remitted in accordance with the applicable posted rate and the date and time of entry and exit (including a Parking Ticket that is issued, but for which there is no record of payment) shall be treated as a lost Parking Ticket and the Manager shall be deemed to have collected the amount for a Lost Parking Ticket specified in the current Parking Rates approved by the SFMTA Board of Directors, and such amount shall be included in the Gross Revenues due to the Agency/Corporation in accordance with the requirements of *Section 6.6* of these Facility Regulations, whether or not such amount is actually received by the Manager from the customer.

(iv) Exception for Certain Service Vehicles. A Manager shall provide free parking for law enforcement, fire, emergency medical services vehicles, and vehicles engaged in providing services to a Facility, for up to 30 minutes as set forth below. A Manager shall maintain a log detailing all vehicles allowed to enter and exit a Facility under this paragraph. The log shall include entry time, exit time, the name of the agency or company operating the vehicle, the driver's name, a case number if applicable, and, except for unmarked law enforcement vehicles, a vehicle license number.

a. Law Enforcement, Fire, and other Emergency Response Personnel. Parking for a maximum of 30 minutes, while on duty and actually conducting an inspection of the Facility, or responding to an incident at the Facility, or a call for assistance from the Facility staff or a customer.

b. Service Providers. For delivery and pick-up vehicles of vendors servicing a Facility, tow trucks and other vehicles providing emergency services to stranded motorists inside the Facility, parking for a maximum of 30 minutes while actually providing services to or at the Facility.

(v) Exception for Vehicles Reported Stolen. A Manager shall provide free parking, after receiving advance written approval from SFMTA, for vehicles reported to law enforcement as stolen, pursuant to the following conditions:

d. Vehicle is claimed by the registered owner, or an alternate party approved in advance by SFMTA.

e. Manager is provided a copy of the police report showing the vehicle was reported stolen. No parking charge shall apply beginning on the date the report was filed. Parking charges shall apply from the date the vehicle entered the facility up until the date it was reported stolen, if these two dates are not the same.

f. From the time that Manager and the registered owner communicate and confirm the owner's vehicle is at the facility, the owner shall have eight (8) hours to retrieve the vehicle before parking charges shall begin to accrue. If owner does not retrieve the vehicle until more than eight (8) hours following notification by Manager, then Manager shall collect parking charges according to the posted Parking Rates for all additional hours that the vehicle remained in the facility.

(b) Monthly Parking (applicable only to Facilities providing monthly parking).

(i) A Manager shall require all monthly users to execute an agreement and release of the SFMTA, the form of which must be pre-approved by the Director. Manager shall collect a New Account Activation Fee for each new Monthly Credential activated under an account. Group accounts shall pay the fee for each Monthly Credential. A Manager shall collect all monthly parking fees no later than the final day of each month or, in months where the final day of the month falls on a weekend, no later than the next business day (due date), for parking privileges during the following month. A Manager shall assess a late

charge (as set forth in the Schedule of Parking Rates approved by the SFMTA Board of Directors) to monthly users who fail to pay their monthly parking fee for the forthcoming month by the due date. Manager shall start assessing such late charges on the second day after the due date. Manager shall provide a system allowing for online sign-up and payment of fees by monthly parkers.

(ii) If a monthly user has not paid his or her monthly parking fee by the close of business on the due date for parking privileges for the following month, a Manager shall deactivate the Monthly Credentials of such delinquent monthly users so that the Monthly Credential is invalid by no later than 12:00 Noon on the first day after the due date. Delinquent monthly users may reactivate Monthly Credentials by paying a late charge (or such other amount as may be set by the SFMTA in the Parking Rates), in addition to the delinquent monthly fee, to the Manager. On a multi-card account, Manager shall charge the late fee for each individual Monthly Credential on the account. The late charge shall be assessed starting on the second day after the due date.

(iii) A Manager shall require a monthly user whose Monthly Credential is deactivated to take a Parking Ticket to enter the Facility. In such a case, upon the approval of a Portfolio Manager/Assistant Portfolio Manager or Facility Manager/Assistant Facility Manager, the Manager shall void the monthly user's Parking Ticket, and re-activate the Monthly Credential immediately upon payment of the monthly fee and late charge. On the 15th of each month, a Manager shall cancel the accounts of all monthly users whose monthly parking fee remains unpaid for the current month. Any user whose account has been cancelled shall lose all seniority at the facility. If the user wishes to re-establish a monthly account at the Facility, he or she must pay the activation fee required to open a new account. If a waiting list exists for monthly parking at the Facility, Manager shall put his or her name at the bottom of the list. A Manager shall supervise and control the billing and collection of the approved monthly Parking Rate and shall establish a security access system for monthly users. A Manager shall collect the one-time New Account Activation Fee for each new customer. For any lost or destroyed Monthly Credentials, a Manager shall reissue a new Monthly Credential and shall collect a charge for the lost or destroyed Monthly Credential in accordance with the current approved Parking Rates.

(iv) A Manager may void the transient Parking Ticket of a monthly user who has been issued a Parking Ticket to enter the Facility as a result of the user forgetting his or her Monthly Credential or where the Monthly Credential is not working (that is, the card does not activate the gate). Manager shall maintain a log of all such Parking Tickets voided on behalf of monthly parkers, and Manager shall require the Portfolio Manager/Assistant Portfolio Manager or on-site Facility Manager/Assistant Facility Manager to review and approve this log on a daily basis.

(v) From time to time, the Director may determine the maximum number of monthly parking agreements that shall be permitted in a Facility. A Manager shall deposit any amounts collected from monthly customers, including amounts for New Account Activation Fees, late charges or charges for reissuance of a new Monthly Credential into the Revenue Account no later than the next Banking Day after such amounts are collected, unless an alternate deposit schedule is approved in advance by the Director. A Manager shall keep a written record containing the names of all monthly users along with their Monthly Credential number, parking commencement date, and date each payment is received and

transferred to the Revenue Account, parking termination date and amount of deposit refund.

(c) Validated Parking. Validated Parking procedures shall be established by Manager in writing and approved in writing by the Director. Said procedures will include an information brochure or letter as the case may be that can be used to promote and or explain the Validated Parking procedures to area merchants and businesses. The brochure or letter shall also include an itemized list of all charges to be assessed as a part of the program. All such charges assessed by the programs will be in accordance with the most recently approved Schedule of Parking Rates approved by the SFMTA.

(d) Valet and Valet Assist Parking. When and as directed by the Director/Corporate Manager, a Manager shall provide for Valet Parking and/or Valet Assisted Parking in a Facility.

(e) Other Services. A Manager shall perform such other acts and duties as are required under the terms of the Agreement and shall perform such other management and supervisory functions related to the operation of the Facilities as the Agency (and Corporation, if applicable) may require. A Manager shall not enter into any special agreements (written or oral) with a third party to provide Parking Rates other than the approved Parking Rates without pre-approval in writing from the SFMTA.

(f) Facility Names. Each Facility shall be operated under the name specified in the Management Agreement as the name of the Facility. The SFMTA may in its sole and absolute discretion rename a Facility.

(g) Signs and Advertising. Except for signs stating the Parking Rates and other pertinent information, and any signs required by applicable law, a Manager shall not erect any signs, billboard, advertising, displays or political endorsements at the Facilities or permit the circulation of any commercial announcements, pamphlets or circulars without the prior written consent of the Agency (and Corporation, if applicable). The Agency/Corporation shall have the right to lease or use, any or all portions of the Facilities for advertising. Such arrangements may be under separate agreements between the Agency/Corporation and any third party. Managers shall cooperate in good faith with the Agency/Corporation to support those activities.

(h) Storage Rental. A Manager shall not allow any non-vehicle property storage rental unless pre-approved in writing by the Agency (and Corporation, if applicable). If such storage rental is approved, the Manager shall require all renters to execute a rental agreement and release form, which form must be pre-approved by the Agency (and Corporation, if applicable). All collected fees shall be deposited into the Revenue Account on the day such amount is collected or the next Banking Day.

(i) Commercial Use. Except for parking, a Manager shall not permit the use of any portion of a Facility for commercial purposes without the prior consent of the Agency (and Corporation, if applicable). The Agency/Corporation shall have the right to lease any or all parts of the Facility for other commercial uses, including, without limitation, vending machines, wired and wireless telephone services and storage rentals. Such

arrangements may be under separate agreements between the Agency/Corporation and any third party. Managers shall cooperate in good faith to support these activities.

(j) Vending Machines, ATMs and Telephones/Communication Devices. The installation of any vending machines, ATMs or telephones/communication devices, including internet-service devices, in a Facility must be pre-approved in writing by the Agency (and Corporation, if applicable). Once approved, a Manager may be charged with the responsibility of entering into any necessary agreements with such parties and administering such contractual relationships. Such agreements shall not exceed the term of the Management Agreement unless pre-approved by the Agency (and Corporation, if applicable), and may in any event be subject and subordinate to the Management Agreement. Such agreements shall also be assignable to the succeeding Manager or the Agency/Corporation without additional payment or cost.

(k) Public Use of Facilities. Managers acknowledge that the public is entitled to use the Facilities, subject to the rates, charges, hours, space availability and rules of operation as set forth herein and adopted pursuant to the terms of the Management Agreement.

(l) Stored Vehicles. A Manager shall not permit Stored Vehicles to remain in a Facility except as authorized by this Section. Whenever a vehicle has been parked continuously in a Facility for longer than seven (7) days without the advance written approval of the Agency/Corporation, a Manager shall promptly determine whether, based on the vehicle license plate information, the vehicle belongs to a monthly customer of the Facility, and if so, whether all parking fees due for the vehicle are paid for the current month.

(i) In the case of a monthly customer whose parking fees are paid for the current month and whose parking agreement with the Manager prohibits parking of Stored Vehicles without the advance written approval of the Agency/Corporation, the Manager shall:

a. Attempt to contact the customer by phone and email (if provided) to determine when the vehicle will be moved. If the customer requests to leave the vehicle in place for a longer term, the Manager shall contact Agency/Corporation staff to discuss whether to approve the request.

b. If the customer does not respond, or if the Agency/Corporation denies the request, the Manager shall attempt to contact the customer by phone and email (if provided), and place a notice on the vehicle (in a form approved by the Agency) informing the customer that, consistent with the terms of the parking agreement, the vehicle must be moved within 72 hours or it will be subject to being towed.

c. If the vehicle is not moved within 72 hours, a Manager shall initiate removal of the vehicle by a licensed towing company that has been approved by the Agency.

(ii) In the case of a transient customer, or a monthly customer whose parking fees are unpaid for the current month, a Manager shall:

a. Place a notice on the vehicle (in a form approved by the Agency) informing the customer that the vehicle must be removed from the Facility within 72 hours or it will be subject to being towed. In addition, in the case of a monthly customer with unpaid parking fees, the Manager shall attempt to contact the customer by phone and email (if provided) and provide such notice.

b. If the vehicle is not removed within 72 hours, initiate removal of the vehicle by a licensed towing company that has been approved by the Agency.

(iii) A Manager shall ensure that signage notifying customers of the seven-day parking limit is posted adjacent to all vehicle and pedestrian entrance and exit points of the Facilities. The design and language of such signage must be pre-approved by the Agency/Corporation.

(iv) A Manager shall ensure that Parking Tickets issued to transient customers include language informing customers of the seven-day parking limitation. The language to be printed on the Parking Ticket for this purpose must be pre-approved by the Agency/Corporation.

(v) If the parking charges accrued by an improperly stored vehicle are eventually waived for a vehicle owner pursuant to *Section 3.1(a)(v)* of these Regulations, Manager shall remit payment to SFMTA for the Lost Ticket fee for each day in excess of 10 days that the vehicle remained stored in the facility.

(m) Compliance with Laws. A Manager and any subcontractors of the Manager shall comply and conform with all applicable Laws, these Facility Regulations and all other governmental regulations, rules and orders, existing and as may be enacted during the Term of the Management Agreement relating to, controlling, or limiting the use and operation of the Facilities. A Manager shall secure all permits and licenses specifically required for its operation of the Facilities (copies of which shall be promptly provided to the Director/Corporate Manager) and shall not use or occupy any Facility in an unlawful, noisy, improper or offensive manner. A Manager shall use its best efforts to prevent any occupancy of the Facilities or use made thereof which is unlawful, noisy, improper or offensive or contrary to any law or ordinance applicable to the Facilities. A Manager shall not cause or maintain any nuisance in or about the Facilities and shall use its best efforts to prevent any person from doing so. Nor shall a Manager cause or allow any rubbish, dirt or refuse to be placed in the streets, sidewalks or alleys adjoining the Facilities or to accumulate in the Facilities. Further, a Manager shall use its best efforts to ensure that all customers of the Facilities comply with these Facility Regulations and any other rules, regulations, or restrictions that the Agency/Corporation or the Director/Corporate Manager may adopt during the Term of the Management Agreement.

(n) Revenue Control and Parking Receipts. A Manager shall comply with applicable provisions of the San Francisco Business and Tax Regulations Code, including but limited to Section 6.6-1 and Article 22, and any successor provisions to those laws, which require parking stations to have revenue control equipment, to provide receipts to all occupants with the exception of occupants in possession of a monthly access card, and to have certain signage, all as more fully set forth therein. Any violation of these requirements shall be deemed a breach of these Facility Regulations and the Management Agreement, and the SFMTA, the City and the Corporation shall have all rights and remedies set forth in the above Codes as well as the rights and remedies set forth in the Management Agreement, including but not limited to, the right to terminate the Management Agreement. To the extent that any provision of these Facility Regulations or the Agreement conflicts with any provision of the San Francisco Business and Tax Regulations Code or other City ordinance, that Code or the ordinance shall govern.

(o) Revenue Control System Maintenance. The PARCS (parking access and revenue control system) back-end IT setup includes elements managed by the City and other elements under control of the Manager. The SFMTA has a contract with Skidata, the PARCS vendor. SFMTA staff are responsible for ensuring Skidata is fulfilling the terms of its contract. Manager is responsible for actively collaborating with SFMTA by timely reporting to SFMTA and Skidata any maintenance and/or operational issues with the PARCS. Manager shall be responsible for reporting all PARCS maintenance and/or operational issues via email, online portal and/or telephone as directed by SFMTA. Manager shall also collaborate with SFMTA staff to accurately and comprehensively log and track all open PARCS maintenance issues. Manager shall document the reporting, and eventual resolution, of all PARCS maintenance and operational issues, using a system approved in advance by SFMTA.

(p) Revenue Protection.

(i) A Manager shall take all necessary measures, applying the highest standard of care, to ensure that all parking charges, rents, fees, and other Gross Revenues are properly collected accounted and remitted to the Agency/Corporation. The SFMTA requires that all revenue collected in cash be deposited by Manager in an approved, on-site electronic safe that records and reports all deposits and provides same-day bank deposit credit.

(ii) A Manager shall take all necessary measures, applying the highest standard of care, to ensure that Parking Tickets, including but not limited to replacement, motorcycle, early bird, flat fee, carpool, and merchant or commercial tenant validation parking tickets, are not used to defraud the SFMTA or the Corporation of Gross Revenues or otherwise convert, conceal, misappropriate, or mis-account Gross Revenues.

(q) Bicycle Parking. In accordance with San Francisco Planning Code Section 155.2, a Manager will maintain required amounts of bicycle parking in the Facility and shall make all reasonable efforts to ensure that bicycle parking within the Facility is

highly visible, secure and readily available to make travel by bicycle an attractive alternative to motor vehicle use. y.

3.2 Facility Parking Rates.

(a) For all vehicles parked in each Facility, a Manager is authorized and directed to charge and collect parking fees according to the Parking Rates approved by the SFMTA for that Facility. Upon a change in the Parking Rates, the Director/Corporate Manager will give written notice to the Manager as to the new Parking Rates and their effective date(s). Upon receiving such notice, the Manager shall take such measures necessary to implement the new Parking Rates on the effective date. A Manager shall not adjust the authorized Parking Rates or collect any other rates or charges at the Facility or provide free (no charge) parking to any person except as specifically authorized by the SFMTA or as set forth in paragraphs (b) or (c) below. A Manager shall not be entitled to any further compensation or consideration because of a change in the Parking Rates. If Manager fails to implement the new rates on the directed effective date, Manager shall pay the Agency the difference between the rates actually charged and the rates that should have been charged.

(b) After Hours Exit Fee. A customer wishing to retrieve his or her vehicle at any time when a Facility is closed must either i) be a monthly parker with the proper credentials or ii) a transient parker with their ticket in hand or proof of parking in the Facility in order not to incur an additional fee. At all times when a Facility is closed to the public, a Manager shall clearly post instructions on how to retrieve their vehicle or contact the manager via the intercom, at the after-hour access door, or via a phone number. If the parker has been confirmed as a monthly parker, the Manager shall let her enter the facility to retrieve her vehicle at no additional cost. If the parker is said to be a transient parker with no proof of parking in the Facility, an additional fee shall be charged to allow the parker access to the facility. The After Hours Exit Fee shall be charged for each vehicle that is retrieved when a Facility is closed, unless staff is already on duty and Manager incurs no additional labor costs in the course of allowing the vehicle to exit. In the case that staff is already on duty, Manager may charge only the posted hourly rate, up to the time of departure.

(c) A Manager shall apply the following Grace Periods in charging and collecting parking fees according to the Parking Rates; 1) for a turnaround or immediate in/out upon entry into a garage, the Grace Period shall be between 0 and 10 minutes, as determined by the Agency, based on the design for egress of each Facility; 2) after payment is made at a pay station or central cashier location, the Grace Period shall be 15 minutes; and 3) where a customer is paying a Parking Rate calculated by the hour and the time on the Parking Ticket shows that the customer has exceeded the last full increment of time, *there shall be no grace period*. SFMTA may, at its discretion, change the time allotment for any of the three grace period categories, following written notice to the Manager of the Facility.

(d) Unless otherwise authorized by these Facility Regulations, where a Manager provides any free or reduced rate parking to a Facility customer, the Manager shall be deemed to have collected the full amount due under the current Parking Rates

approved by the SFMTA, and such amount shall be included in the Gross Revenues due to the Agency/Corporation in accordance with the requirements of *Section 6.6* of these Facility Regulations, whether or not such amount is actually received by the Manager from the Facility customer.

3.3 Emergency and Disaster Response Plan. A Manager shall maintain a current Emergency and Disaster Response Plan at each Facility in a format acceptable to the Director with a current copy to the Agency/Corporation. This plan shall consist of Emergency Procedures, contact information for the Manager, SFMTA, and Corporation (if applicable). This plan must outline procedures for employees to follow in the event of an emergency and describe a plan of action for each Alert Level defined for a specific threat or disaster.

3.4 Confidential Information Requirements. Vendor shall comply with all state and federal laws and regulations and applicable PCI DSS requirements concerning the security, maintenance, transmission and publication of Credit Card Data, license plate numbers, and other personal and confidential transaction information that may identify a patron of a Facility. Said authorities include but are not limited to applicable provisions of the federal Fair and Accurate Credit Transactions Act and the Fair Credit Reporting Act, applicable provisions the California Civil Code governing protection of personal information (including license plate data) and data security breach notification. (See Cal. Civ. Code §§ 1798.29, 1798.82, 1798.50 et seq.) A Manager or Corporation shall not release said information to any person without the express written authority of the SFMTA's Director of Parking or in response to valid court order or subpoena. Moreover, a Manager or Corporation shall not allow anyone, including law enforcement, to view video camera footage and shall not provide copies of any video camera footage or other documents concerning the Facility without a written request related to an active investigation. Manager shall immediately notify the Parking Director of written request that seeks video or other garage records. Manager shall refer to SFMTA any request to view video camera footage or to be provided a copy of such footage or to view or receive copies of any documents concerning the Facility.

3.5 Operating Manual. A Manager shall maintain at each Facility a current Operating Manual for the Facility containing Standard Operating Procedures (SOPs) that include, but are not limited to, safety standards and procedures, cash handling procedures, customer service standards, employee training, and Facility maintenance standards. At the front of the manual kept at each facility, the Manager shall include a section for site-specific procedures that address unique features and procedures required at that specific Facility. The Manager shall provide the Agency (and Corporation, if applicable) with this manual on the execution date of the Management Agreement, and shall promptly provide the Agency (and Corporation, if applicable) with any updates. The Manager will make necessary changes to the SOP manual at the Agency/Corporation's request in order to ensure that best practices are followed.

4. EQUIPMENT AND CAPITAL IMPROVEMENTS

4.1 Ordering and Purchasing of Supplies, Equipment and Furnishings. A Manager shall provide such supplies, equipment and furnishings required for performance of the

management and supervision services in the operation of the Facilities, including, but not limited to, maintenance and cleaning equipment, tools, office and accounting equipment and office furnishings. The cost of purchasing all such supplies, equipment and furnishings shall be considered Operating Expenses. All equipment, supplies and other tangible personal property paid for as Operating Expenses shall be and remain the property of the Facilities. A Manager shall be responsible for the care and safekeeping of all SFMTA and Corporation Property and shall use such property only in connection with the operation of the Facilities. Except for supplies and other property that are routinely used and consumed in the operation of a parking Facility, a Manager shall not dispose of any SFMTA or Corporation Property without the prior written consent of the Director/Corporate Manager.

4.2 Improvements. A Manager shall not make any alterations or improvements to or upon a Facility without the prior written approval of the SFMTA. The Director or the Corporation may require a Manager to implement specific capital improvements during the term of the Management Agreement. With the exception of emergency repairs, which shall require the written approval of the Director or the Corporation, any such capital improvements shall require the approval of the Director and shall be performed (i) in strict accordance with any plans and/or specifications approved in advance by the Director or the Corporation in writing, (ii) by duly licensed and bonded contractors or mechanics approved by the Director or the Corporation after the Manager obtains at least three quotes for the capital improvement work, (iii) in a good and workmanlike manner, (iv) in strict compliance with all laws and subject to all other conditions that the Director or the Corporation may impose. Prior to the commencement of any work, a Manager shall procure all required permits and approvals and shall promptly deliver copies of such approvals and permits to the Director/Corporate Manager upon request. No material change from the plans and specifications approved by Director may be made without the prior consent of the Director or the Corporation. The Director/Corporate Manager shall have the right to inspect the progress of the capital improvement work at all times. If required by the Director/Corporate Manager, upon completion of the capital improvements, a Manager shall furnish Director/Corporate Manager with a complete set of final as-built plans and specifications. Notwithstanding anything in the Management Agreement or these Facility Regulations to the contrary, the actual costs and expenses incurred by a Manager in the performance by it of the obligations set forth in this Section shall be an Operating Expense. Upon completion of the improvement, the City shall own all capital improvements completed pursuant to this Section.

5. MAINTENANCE AND REPAIRS

5.1 Routine Maintenance and Repairs. A Manager shall maintain the Facilities in a clean, safe, sanitary and attractive condition commensurate with the standards of maintenance, repair and operation set forth in the Management Agreement. For purposes of the Management Agreement, “routine maintenance and repair work” means all ordinary maintenance and repair of the premises and equipment and replacement of supplies that are normally performed on a daily or routine basis in order to keep the Facilities in an efficient, clean and safe condition. Such routine maintenance and repair work shall include without limitation:

(a) Repairing lamps and lighting fixtures and replacing bulbs, fluorescent tubes and ballasts; replacing Parking Tickets in Parking Ticket issuing machines; maintaining and replacing, if required, arms on traffic entry and exit gates; maintaining, repairing and replacing sliding or overhead doors and gates, and roll up doors; maintaining revenue control equipment; repairing, replacing and cleaning signs; maintaining heating, ventilating and other mechanical equipment; maintaining fire alarm call boxes, extinguishers and hose boxes in good working order; maintaining plumbing in good and sanitary working order; and performing emergency maintenance and repairs as required to maintain the premises in good and safe condition.

(b) Regular cleaning of all parking areas, Facility offices, drainage systems and other portions of the Facility premises; regular washing of all windows; prompt removal of dirt, debris, oil, grease and other liquids from the parking areas, floors and stairways; regular cleaning of floors, walls and ceilings of the pedestrian areas; regular removal of accumulated trash and other rubbish; regular cleaning of the sidewalks on all sides of the Facility; regular cleaning and maintenance of the common areas and bathrooms (including trash removal); and such other cleaning as shall be required to keep the premises in a clean, safe and attractive condition.

(c) Touch-up striping of the floors and surfaces of the Facility as needed.

(d) Otherwise cleaning, repairing and painting all surfaces of the Facility (e.g. floors, walls, fences, railings, gates, etc.) as well as adjacent sidewalks, curbs and driveways thereof as needed (particularly when such surfaces have been marred by graffiti or other forms of vandalism).

(e) Contracting for full-service elevator and/or rolling-door maintenance, if applicable, with a subcontractor acceptable to the Agency (and Corporation, if applicable).

(f) Contracting for electricity, telephone, vermin extermination, trash collection, water, sewer and any other similar utilities or services necessary to the operation of the Facility. Manager shall pay all billings for the above services when due.

(g) Steam cleaning or power washing of all sidewalks and any interior stairwells shall be performed on a quarterly basis and of each entire Facility on a semi-annual basis. At the discretion of the Director, steam cleaning may be required to be performed less frequently if the Facility, including sidewalks and stairwells, are maintained in a clean and orderly state.

(h) Prompt, daily removal of pigeon, rodent and other animal droppings from floors and all accessible surfaces.

(i) Thorough cleaning of all ventilation supply and exhaust vents shall be performed on a semi-annual basis, as applicable.

(j) Any other maintenance or repair required by the Director/Corporate Manager.

(k) Removal of graffiti within 48 hours, in accordance with the requirements of the Management Agreement.

A Manager shall perform all the foregoing maintenance duties in accordance with a maintenance schedule provided by Director/Corporate Manager. The Director/Corporate Manager shall have the right to require the Manager to perform certain duties specified in such schedule more frequently than provided therein. A Manager shall be responsible for completing the Manager's Facility Inspection Checklist provided by Director/Corporate Manager on a monthly basis and maintaining a binder of completed checklists for each Facility at the Facility at all times. Upon demand of the Director/Corporate Manager, or his or her designee, a Manager shall present such checklist binder for review.

5.2 Failure to Perform. The Director/Corporate Manager may direct a Manager to perform routine maintenance and repair work that is necessary to keep the Facility in good and clean condition and in a proper state of repair. If the Manager does not commence performance of such routine maintenance and repair work within seventy-two (72) hours after the notice is given and thereafter diligently prosecute it to completion, the Director/Corporate Manager may cause such routine maintenance and repair work to be performed and the Manager shall pay the SFMTA's administrative expenses expended in having the routine maintenance and repair work performed.

~~5.3~~ Long-Term Maintenance and Repairs. As used in these Facility Regulations, the term "long-term maintenance and repairs" means all such maintenance and repair work that the Agency (and Corporation, if applicable) reasonably determines is extraordinary and beyond the normal routine maintenance and repair work to be performed by a Manager. The Agency/Corporation may request a Manager to seek bids for the specific project. If the Agency (and Corporation, if applicable) elects to proceed with the proposed project, the Manager shall cause the work to be done, pay for the work when it has been completed and include such reimbursement requests in the next Monthly Report. A Manager shall inform the Director/Corporate Manager of long-term maintenance or repair projects that are necessary to maintain a Facility in its current or better condition.

6. FISCAL DUTIES AND MATTERS

6.1 Annual Budget. A Manager shall, at Director/Corporate Manager's request, prepare an annual operating and capital budget ("Budget") for each Facility under management for any given period for review by Director or the Corporation. The Budget shall be in the form provided by the Director/Corporate Manager. After review, the Director/Corporate Manager may return the Budget to the Manager if budget contains proprietary information regarding the Manager.

6.2 Marketing Plan. A Manager shall, at the Director/Corporate Manager's request, prepare a marketing plan for each Facility under management, outlining the Manager's plans to market the Facility and expand business at the Facility. The Director/Corporate Manager may review the marketing plan and recommend changes.

6.3 PCI Data Security Standards.

(a) A Manager or Corporation shall manage the Facility and all transactions in accordance with PCI DSS as established by the PCI Security Standards Council ("PCI SCC"), which may be found at https://www.pcisecuritystandards.org , and as the PCI Council may update its requirements and publish them at that website. Capitalized

terms in these Regulations pertaining to PCI DSS, if not defined in these Regulations, shall have the meanings provided by PCI SCC.

(b) A Manager or Corporation shall utilize business procedures and practices and data security procedures and practices that comply with the most current PCI DSS.

(c) A Manager or Corporation shall store, retain or otherwise keep Credit Card Data only to the extent necessary to identify a transaction for accounting and refund purposes. A Manager or Corporation shall not store, retain or otherwise keep or utilize credit card data except as in accordance with PCI DSS requirements.

(d) When the Manager or Corporation services any part of the PARCS pay stations, it shall visually inspect the pay stations to discover sniffers and other unauthorized equipment and shall notify the City of any anomalies it discovers.

6.4 Merchant of Record. City shall be the Merchant of Record for cash transactions, and Manager shall be Merchant of Record for credit card transactions.

(a) *Cash Transactions* – Manager shall deposit all cash at the end of each cashier's shift into an electronic safe installed at the Facility capable of counting the cash deposited into it. Manager shall ensure the electronic-safe provider provides a service that directly electronically connects the safe count to the City's bank account, such that deposits made into the safe are immediately recognized in the City's account.

(b) *Credit/Debit Card Transactions* - As Merchant of Record for credit card revenues, Manager shall establish a processing protocol such that credit-card revenue settles directly into the City's designated bank account, with no detour to any third-party account, such that Manager adheres to the daily deposit requirements of City revenues set out in *Section 6.6* of these Regulations.

6.5 Revenue Account. The SFMTA shall provide Manger with account details of the City account that shall serve as the Revenue Account. A Manager may, however, with advance written consent from the SFMTA, establish and maintain a special account designated as the Revenue Account for each Facility. A Manager shall make daily deposits into the Revenue Account for each Facility unless an alternate deposit schedule is approved in writing by the Agency and the Office of the Treasurer/Tax Collector.

6.6 Gross Revenues and Other Monies; Deposits and Transfers of Monies. All Gross Revenues shall be the sole and exclusive property of the Agency (or Corporation if applicable), which Manager shall hold in trust and safeguard for the sole benefit of the Agency. The Manager shall have no right, title, interest, lien or set-off rights on or against any portion of the Gross Revenues. The Manager shall safeguard all Gross Revenues with the highest degree of care. The Gross Revenues shall be deposited in the Revenue Account no later than the next Banking Day after such amounts are collected unless an alternate deposit schedule is approved in writing by the Agency. A Manager shall not commingle any of Gross Revenues with its own funds. If a Manager fails to deposit Gross Revenues including Parking Taxes as specified in this Section, the Manager shall pay the Agency/Corporation interest on the amount that was not timely deposited in accordance with the late payment provisions in the Management Agreement until such time the amount is deposited in the manner prescribed in these Facility Regulations, and such payment shall not be a compensable Operating Expense. A Manager's failure to deposit Gross Revenues

including Parking Taxes on a timely basis shall constitute a material breach of the Management Agreement, and a Manager's obligation to pay interest on funds not deposited shall not limit any other rights or remedies the Agency or Corporation may have under the Management Agreement with respect to such default. A Manager shall be responsible for, and liable for any damages arising from, the secure transport and delivery of Gross Revenues in accordance with these Facility Regulations and the Management Agreement. Until monies charged and collected by the Manager on behalf of the Agency/Corporation are deposited in accordance with these Facility Regulations, the Manager shall assume all risk of loss of such monies, including, but not limited to, loss by damage, destruction, disappearance, theft, fraud, counterfeit bills/coins, or dishonesty.

6.7 Daily Accounting. Every day of operation, a Manager shall prepare a daily report ("Daily Report") for each Facility in a form approved by the Director/Corporate Manager. If requested by the Director/Corporate Manager, the Manager shall submit the Daily Reports to the Agency/Corporation on a daily basis in electronic form. All Daily Reports must be certified true and correct by the Manager. A Manager shall not modify the format of the Daily Report without the Director/Corporate Manager's prior written approval.

6.8 Monthly Report. By the 15th of each month, a Manager shall deliver to the Director/Corporate Manager a monthly report ("Monthly Report") for each Facility in a form approved by the Director. Manager shall also enter all financial information into the SFMTA's online reporting portal. The Monthly Report shall be provided in electronic format, as well as in hard copy if requested by SFMTA, and include an accounting of all Gross Revenues and a description of Operating Expenses as set forth in *Section 6.9.*

(a) For each day submittal of the Monthly Report is late, a Manager shall incur a late charge of One Hundred Dollars ($100) per Facility as liquidated damages payable to the Agency/Corporation to cover administrative costs for revenue report and projection revisions, and such late charges shall not be an Operating Expense. All submitted Monthly Reports must be certified as true, correct, and complete by the Manager. Should the Agency/Corporation detect any inaccuracies in the Monthly Reports which were not previously communicated by the Manager, the Agency/Corporation may, in its discretion and without limiting the Agency/Corporation's other rights and remedies hereunder, impose a charge of Two Hundred Dollars ($200) for each Monthly Report misreported to cover administrative costs to correct revenue reports and projections. Such charges shall be deducted by the Agency/Corporation from the next payment of the Management Fee under the Management Agreement. The aforementioned charges shall not be considered a penalty but are the reasonable cost to the Agency/Corporation incurred by the Manager's delay. The Controller, the Director or the Corporation may modify the form of the Monthly Report and change the due date of the Monthly Report.

(b) The Monthly Report shall include all usage data by customer type, marketing initiatives conducted during the month, any capital expenditures incurred during the month and any extraordinary operational or management efforts.

(c) Manager shall also provide a Monthly Exception Report, in a format approved by SFMTA, that analyzes all manual transactions (e.g. manual gate opens from the cashier station, central control station and/or by use of key at the exit station; replacement tickets produced, including lost tickets; and any other manual overrides of rate calculation or gate vending). This report shall detail Manger's follow up on any suspicious transactions and/or pattern of transactions.

6.9 Operating Expenses.

(a) For all Operating Expenses for which a Manager seeks reimbursement, the Manager shall, for each Facility, submit monthly or as needed complete documentation, an invoice and statement listing all operating expenses for the month together with copies of all invoices, receipts or other evidence, including all operating expenses incurred since the previous invoice and statement, including all salaries, wages, payroll taxes, and benefits described in the Management Agreement, and the Manager's management fee. Each invoice, in a form approved by the Director or Corporation and the Controller, shall be accompanied by evidence of payment of all items and any other such supporting documentation evidencing such operating costs, salaries, wages, payroll taxes and benefits, workers compensation, garage keepers, and any and all other insurance coverages, as the Agency/Corporation shall require.

All invoices for which a Manager is seeking payment shall:

(1) be prepared by the Manager and signed by the authorized representative of the Manager;

(2) identify the line item of the Approved Budget under which reimbursement is requested;

(3) include documentation of the quotes or bids obtained when required pursuant to paragraph (b) below;

(4) for unbudgeted expenses, include written approval of the Director, and

(5) be submitted to the Director/Corporate Manager for approval.

To qualify as an Operating Expense, the following conditions must also be satisfied:

(1) the Manager must have submitted the required documentation requested above,

(2) the expenditure must have been authorized in the Approved Budget,

(3) for both vendor expenses and professional services, the expenditure must have been made pursuant to a written agreement or purchase order executed by both Manager and the vendor/service provider; and

(4) the expenditure must have the prior approval of the Director or Corporate Manager and the Controller.

A Manager may be reimbursed for any otherwise reimbursable expense incurred during a month that exceeds the Approved Budget by no more than 5 percent without seeking prior approval from the Director/Corporate Manager, as long as such an over-budget expenditure does not occur in consecutive months. The Agency/Corporation will reimburse the Manager by electronic payment or by disbursing a check at the address specified for notice in the Management Agreement. The Agency/Corporation shall not reimburse a Manager for any interest charges or late penalties imposed on the Manager due to late payment of its bills, taxes or fees. The Director/Corporate Manager shall have ultimate approval of all Operating Expenses.

(b) In no event shall a Manager contract for or purchase any one item which exceeds One Thousand Dollars ($1,000.00) in cost or any item which costs in excess of the amount set out on the approved Budget without the prior written approval of the Director (and Corporate Manager, as applicable). Any rebate or discount obtained by a Manager in connection with the Management Agreement shall be the property of the Agency/Corporation. All expenses in excess of One Thousand Dollars ($1,000.00), including recurring expenses such as Parking Tickets, unless service is from a sole source supplier, shall be documented with three written quotes submitted for the Director's review. A Manager must receive written approval from Director (and Corporate Manager, as applicable) identifying the preferred quote before the purchase is made. For expenses anticipated to exceed Five Thousand Dollars ($5,000.00), a Manager (and Corporation, if applicable) shall consult with the Director prior to requesting any quotes, so that all procurement options may be fully considered. If a Manager determines that an emergency situation exists that requires an immediate vendor service visit, making it unreasonable and impractical to follow the above steps, the Manager shall immediately notify Agency staff through the 24/7 contact information provided to the Manager, and Agency staff shall direct the Manager how to proceed.

6.10 Parking Taxes. A Manager shall comply with the requirements imposed by Sections 6.6-1 and 6.7-1 of Article 6, and Section 604 of Article 9 of the San Francisco Business and Tax Regulations Code to collect all Parking Taxes, sales taxes and other taxes due, which shall be deposited into the Revenue Account and accounted for separately. A Manager shall submit to the Agency/Corporation with each Monthly Report a full accounting of all taxes due and payable to any third party, including any taxes due to the City. A Manager shall file with the San Francisco Tax Collector, with a copy to the Agency (and Corporation, if applicable) all required monthly Parking Tax returns. A Manager is liable for any interest or penalties incurred due to late filing of required tax returns or failure to correctly determine the tax due, which interest or penalties shall not be considered an Operating Expense or otherwise reimbursed by the SFMTA or the Corporation. A Certificate of Authority to collect Parking Tax shall be posted in each Facility in a prominent location at all times during the Term of the Management Agreement. Manager shall remit all Parking Tax due directly to The Tax Collector. Manager shall include Parking Tax payments made as part of its monthly invoices for Operating Expenses.

6.11 Parking Tax Collection Bond. A Manager shall comply with the requirements imposed by Section 6.6-1 of Article 6 of the San Francisco Business and Tax Regulations

Code, requiring Manager to post a Parking Tax Collection Bond on behalf of the City in the amount required by the Tax Collector.

6.12 Right to Audit and Inspect Records. A Manager agrees to maintain and make available to the Agency/Corporation, during regular business hours, accurate books and accounting records relating to its work under the Management Agreement. A Manager will permit the Agency/Corporation to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by the Management Agreement, whether funded in whole or in part under the Management Agreement. A Manager shall maintain such data and records in an accessible location and condition for a period of not less than three years after final payment under the Management Agreement or until after final audit has been resolved, whichever is later. The City, the State of California or any federal agency having an interest in the subject matter of the Management Agreement shall have the same rights conferred upon the SFMTA or a Corporation by this Section.

6.13 Audit. A Manager shall cooperate in audits of its books and records relating to the Facilities and the Manager's compliance with the Management Agreement. The audits shall be conducted at the direction of the Agency/Corporation or the City Controller by an auditor selected by the Agency/Corporation or the Controller. The Agency/Corporation or the Controller shall determine the scope of said audit(s), which may include but are not limited to the Manager's compliance with the terms of the Management Agreement and these Facility Regulations, determining the amount of Gross Revenues and Parking Taxes received by the Manager from the operation of the Facilities; the Gross Revenues and Parking Taxes deposited into the Revenue Account; any differences between the Gross Revenues and Parking Taxes reported and the Revenue Account deposits and audited revenues; and the form and method of the Manager's record keeping. The audits may include review of capital expenditures, operating expenses and/or compliance with any provisions of the Management Agreement and these Facility Regulations or any other item related to administration of the Management Agreement or the financial stability of the Manager, at the discretion of the Agency/Corporation.

6.14 Books and Records. A Manager shall establish and maintain at each Facility books, records and systems of account, including all records relating to Revenue Control Equipment at the Facilities in accordance with generally accepted accounting principles, consistently applied reflecting all business operations of Manager transacted under the Management Agreement. To the extent a Manager has not complied with generally accepted accounting principles, the Director/Corporate Manager may require Manager to restate its books, records and systems of account to conform to such requirements. These books, records and systems of account shall be retained by a Manager during the term of the Management Agreement and for at least three (3) years thereafter, and shall be available at all reasonable times, with or without notice, for inspection and audit by the City, the Agency/Corporation, or their agents. Upon expiration or early termination of the Management Agreement, all such books, records and systems of account shall be delivered to the Director/Corporate Manager. All used and unused parking tickets, tapes and other records used in the operation of each Facility are owned by the Agency/Corporation but shall be retained by a Manager at the Facility unless the Director or

Corporate Manager requests otherwise. Such tickets, tapes and records shall be available at all reasonable times, with or without notice, for inspection and audit by either the Director or Corporate Manager or their agents and shall not be destroyed without prior written consent from the Director or Corporate Manager.

APPENDIX E
ROLES AND RESPONSIBILITIES ASSOCIATED WITH THE MANAGEMENT OF THE PORTSMOUTH SQUARE GARAGE AND THE JAPAN CENTER GARAGES

The City leases two garages in Group B, Portsmouth Square Garage and Japan Center Garages, to the Portsmouth Plaza Parking Corporation and the Japan Center Garage Corporation, respectively. At these two garages, the roles and responsibilities described below shall apply.

1. **Roles and Responsibilities.** Commencing February 1, 2023, the SFMTA, IMCO Parking and the Corporation (PPPC or JCGC) will perform the actions and duties described below to manage and operate the Portsmouth Square Garage and Japan Center Garages:

A. SFMTA

SFMTA shall:

(1) Provide oversight and direction to Operator to ensure Garage operations are managed in accordance with the Operator Contract, the Corporations' Leases with the City, and City policies and regulations concerning off-street parking facilities.

(2) Coordinate with the Corporations and IMCO Parking to ensure the needs and desires of the local community are heard and considered on a regular basis.

(3) SFMTA representatives shall attend Corporation Board meetings to facilitate information sharing and to provide updates on the status of garage operations, in conjunction with IMCO Parking staff.

(4) Approve Garage operating budgets in accordance with the Lease.

(5) Ensure that IMCO Parking responds in a timely manner regarding budget-requisition processing and all financial information needed for Corporations to submit the required monthly financial reports in accordance with their Leases with the City.

B. Corporations

PPPC/JCGC shall:

(1) Perform all of its obligations and duties described in the Lease with the City.

(2) Subject to annual review and approval by SFMTA, JCGC shall employ a Corporate Manager and an independent bookkeeper and administrative support staff, as needed, to meet JCGC's responsibilities under the Lease, as approved by SFMTA.

(3) Maintain a separate payroll and benefits process for any paid Corporation staff, which shall be separate from Operator's payroll and benefits processes for parking operations staff assigned to the Garage.

(4) Prepare monthly reporting, audited financial statements, annual proposed budgets, and execute other related duties, as required by the Lease. Financial statements will include financial information provided by Operator. Corporation will add to those reports Corporations' expenses and other information necessary to complete the reports.

(5) Be the primary liaison to neighborhood and community stakeholders.

C. Garage Operator

The SFMTA shall instruct IMCO Parking and enforce the SFMTA's Garage Management Agreement to ensure that the Operator shall:

(1) Fulfill all responsibilities within its management agreement with the SFMTA.

(2) Coordinate proactively, and in good faith, with both Corporation and SFMTA staff to ensure day-to-day operations are consistent with SFMTA policies and procedures for garage operations and respond to and work with Corporation staff in a timely manner to address any concern or incidents that may arise in the course of the daily operation of the garages.

(3) Work collaboratively with the Corporation in all budgetary and financial aspects associated with the operation of the garages, including requisitions, and providing relevant financial information in a timely manner to Corporation staff for the preparation and submission of monthly financial report to SFMTA.

(4) Assign appropriate management staff to attend regular Corporation Board of Directors' meetings and present a monthly operations and security report at the meeting.

2. Revenue Processing

IMCO Parking and PPPC/JCGC shall manage Garage revenues as follows:

A. Operator will deposit all of Garage's gross revenues into an account maintained by PPPC/JCGC on a daily basis.