

THIS PRINT COVERS CALENDAR ITEM NO.: 13

**SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY**

DIVISION: Streets

BRIEF DESCRIPTION:

Authorizing the Director of Transportation to execute Contract No. SFMTA-2022-13, for Parking Meter Coin and Parking Data Collection Services, with LAZ Parking California, LLC for a total amount not to exceed \$50.8 million and for a total term of ten years (five base years, with an option to extend for up to five additional years), and requesting the Board of Supervisors to approve the Contract.

SUMMARY:

- The SFMTA’s Parking Meter Program was established to manage 25,500 on-street parking spaces and 500 spaces in public parking lots for the SFMTA and the Port of San Francisco for purposes of regulating parking and maintaining parking availability in high-demand areas.
- Since 2012, the SFMTA has collected approximately \$180 million in parking meter coin revenue, which is used to support on street parking programs and public transit.
- The SFMTA requires assistance from an outside vendor to collect and process coins deposited in parking meters for the SFMTA and on Port property, collect meter condition report, report vandalism and hazards affecting public parking spaces, collect parking occupancy and other related data, and perform parking ambassador services.
- The City has determined in accordance with Proposition J that coin collection services can be performed by a private contractor at a lower cost than if performed by City employees. The City has contracted coin collection and related services since 1978.
- In 2012, the SFMTA Board approved SFMTA Contract No. 2011-12-08 with Serco, Inc., for Parking Meter Coin Collections, Counting, and Support Services, for an amount not to exceed \$46.4M. In 2021, LAZ Parking California, LLC (LAZ) acquired Serco’s coin collection division, and the Serco contract was subsequently assigned to LAZ, but will expire on July 31, 2022.
- In December 2021, the SFMTA issued a Request for Proposals (RFP) No. SFMTA-2022-13 for Coin and Data Collection and Associated Support Services (Services). LAZ Parking California, LLC was the only company that submitted a proposal. Staff determined that LAZ’s proposal was responsive, and LAZ is qualified to perform the Services. Staff negotiated the proposed contract, and the costs of the proposed contract are comparable to the existing contract. Due to its value, the proposed contract requires Board of Supervisors’ approval under Charter section 9.118.
- The new contract will allow the SFMTA a greater flexibility to reduce variable costs of collection services, should there be a further reduction in coin payments in future years.

ENCLOSURES:

1. SFMTAB Resolution
2. Contract

APPROVALS:

	DATE
DIRECTOR 	<u>April 13, 2022</u>
SECRETARY 	<u>April 13, 2022</u>

ASSIGNED SFMTAB CALENDAR DATE: April 19, 2022

PURPOSE

Authorizing the Director of Transportation to execute Contract No. SFMTA-2022-13, for Parking Meter Coin and Parking Data Collection Services, with LAZ Parking California, LLC for a total amount not to exceed \$50.8 million and for a total term of ten years (five base years, with an option to extend for up to five additional years), and requesting the Board of Supervisors to approve the Contract.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

Goal 5: Deliver reliable and equitable transportation services.

Goal 6: Eliminate pollution and greenhouse gas emissions by increasing use of transit, walking and bicycling.

Goal 9: Fix things before they break and modernize systems and infrastructure.

Goal 10: Position the agency for financial success.

This item will support the following Transit First Policy Principles:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.
2. Decisions regarding the use of limited public street and sidewalk space shall encourage the use of public rights of way by pedestrians, bicyclists, and public transit, and shall strive to reduce traffic and improve public health and safety.
7. Parking policies for areas well served by public transit shall be designed to encourage travel by public transit and alternative transportation.

DESCRIPTION

Background

The Parking Meter Program was established to maintain parking availability in high-demand areas and manages 26,000 parking spaces on-street and in parking lots for the SFMTA and the Port of San Francisco. The SFMTA uses demand responsive pricing to adjust metered parking rates to help drivers find parking more quickly, thus reducing congestion. San Francisco parking meters currently generate approximately \$6.2 million in annual coin revenue (the pandemic has reduced parking revenues by approximately ten percent since 2019). Since 2012, the SFMTA has collected approximately \$180 million in parking meter coin revenues, which are used to support on-street parking programs and public transit.

Parking meter collections services have been outsourced since 1978. In 2012, the SFMTA Board approved SFMTA Contract No. 2011-12-08 with Serco, Inc., for Parking Meter Coin Collections, Counting, and Support Services (Contract), for an amount not to exceed \$46.4M. In 2021, LAZ Parking California, LLC (LAZ) acquired Serco's coin collection division, and the Contract was subsequently assigned to LAZ. The Contract will expire on July 31, 2022.

In addition to managing parking availability and mitigating traffic, the Parking Meter Program is a consistent source of revenue to fund transit. The ability to purchase parking time by coins provide an

opportunity to pay for parking without a need of a credit card or a smart phone and thus supports an equitable payment method for vulnerable populations. In SFMTA’s jurisdiction, coin revenue collected by single-space and multi-space meters since the 2012 are summarized in Table 1.

TABLE 1 – Parking Meter Coin Revenue

Calendar Year	Coin Revenue
2012	\$37,182,771
2013	\$38,077,015
2014	\$30,292,367
2015	\$19,995,386
2016	\$15,192,651
2017	\$12,204,635
2018	\$9,466,286
2019	\$7,074,999
2020	\$4,211,080
2021	\$6,213,357
Total	\$179,910,546

Request for Proposals (RFP) and Evaluation Process

Prior to RFP release, SFMTA identified four vendors capable of performing the Services. On December 8, 2021, the SFMTA issued a Request for Proposals (RFP) for the Services. The SFMTA sent the RFP to each of the four potential vendors the Agency had identified, and separately advised them of the pre-proposal conference, held on December 20, 2021. Proposals were due by January 24, 2022. Only two of the four vendors attended the pre-proposal conference, and only one, the incumbent, submitted a proposal. The Agency inquired of the other identified vendors why they had not submitted proposals. The vendors responded that they did not pursue the SFMTA contract due to competing projects and challenges presented by the City’s contracting requirements (such as Local Business Enterprise participation goals). Staff does not believe that re-advertising the RFP would result in more vendors submitting proposals.

Proposed New Agreement

LAZ will perform the following Services under the proposed new Agreement:

- Single- and multi-space parking meter coin collections services.
- Daily meter condition reports (vandalism, public hazard, credit card security inspections). (Reports will be made more frequently as compared to the current agreement.)
- Provision of brand-new coin and data collection fleet to replace the current fleet that is nearly 10-years old and reaching the end of its useful life.)
- Parking data collection support (which is a new service not provided under the existing contract)
- Coin revenue reconciliation services.
- Product support services (meter electronic lock software and parking meter repair maintenance application).
- Procurement of parking meter cards.

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- Materials and support for Meter Program (e.g., meter maintenance and vandalism repair).
- Support for single and multi-space meter management systems.
- Flexibility to adjust services as needed to support reductions in coin usage as other payment options become more prevalent. The new contract will allow for greater flexibility in reducing variable costs (see Table 2) if the public reduces coin meter payments.

LAZ's Proposal of 6.83 percent LBE participation exceeds the Agency's 5.0 percent goal stated in the RFP. LBE vendors are Priority Ventures, FMS Ventures Inc, City Diesel DBA American Diesel, Clean-A-Rama, Rolling Stock, Inc, TAZ Auto Mobile Detailing, Hi Times Discount Office Productions.

Monthly cost of the new agreement is approximately 16 percent higher than the current Contract. The increased cost is mainly due to: (1) new fleet of collection vehicles (current fleet is ten years old); (2) addition of new data collection crew to perform various parking studies, such as occupancy, utilization, and parking census; (3) – new analyst position (revenue reconciliation, coin collection optimization); (4) increase in labor rates under collective bargaining agreement with Teamsters Union, Local 665.

STAKEHOLDER ENGAGEMENT

Stakeholders from the Meter Shop, Parking and Curb Management Division, Enforcement, and Finance and Technology provided input as to the scope of Services of the proposed Agreement.

ALTERNATIVES CONSIDERED

The alternatives to approving the new Agreement would be to extend the current agreement or to perform the Services using SFMTA personnel. Staff does not recommend those alternatives because:

- The current Contract is in its tenth year and will expire on July 31, 2022; there are no further options provided in the Contract to extend it.
- The current Contract has been approved annually under Proposition J; the City has determined that these Services can be practically performed by a private contractor at a lower cost than if performed by City employees.

FUNDING IMPACT

Funds required for meter hardware procurement will come from the SFMTA's operational budget. The Port will reimburse the SFMTA for its share of the operational costs. Port's portion of the proposed budget varies between five and seven percent depending on coin collection volume.

The proposed budget is summarized in the "Table 1: Coin and Data Collection and Support Services Budget" below. The following table summarizes anticipated costs for the Agreement, including the option years. Coin and data collection costs are included in SFMTA's FY23/24 operating budget.

Table 2: Coin and Data Collection and Support Services Budget

Categories	Annual Cost	Total Main Term	Total Extension Term	Contract Total
<i>Fixed Costs</i>				
Management Fees	\$ 1,456,200	\$ 7,281,000	\$ 7,963,098	\$ 15,244,098
Meter Maintenance Application Fees	\$ 60,000	\$ 300,000	\$ 330,000	\$ 630,000
<i>Variable Costs</i>				
Non-CBA Labor	\$ 969,816	\$ 4,849,080	\$ 5,303,351	\$ 10,152,431
CBA Labor	\$ 2,001,000	\$ 10,005,000	\$ 10,942,288	\$ 20,947,288
Parking Meter Cards Procurement	\$ 120,000	\$ 600,000	\$ -	\$ 600,000
Support Meter Equipment	\$ 120,000	\$ 600,000	\$ 660,000	\$ 1,260,000
Optional Data Services Budget				\$ 500,000
Contingency @	3%			\$ 1,465,015
Total		\$ 23,635,080	\$ 25,198,738	\$ 50,798,833

Total ten-year contract Not to Exceed amount (SFMTA and SF Port): **\$50,798,833**

ENVIRONMENTAL REVIEW

The SFMTA, under authority delegated by the Planning Department, determined that SFMTA-2022-13, Coin and Data Collection and Associated Support Services contract with LAZ, 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

The City Attorney has reviewed this report.

This contract is subject to approval by the San Francisco Board of Supervisors under Charter Section 9.118, because expenditures are anticipated to exceed \$10,000,000 over the term of the Agreement.

RECOMMENDATION

Staff recommends that the SFMTA Board authorize the Director of Transportation to execute Contract No. SFMTA-2022-13, for Parking Meter Coin and Parking Data Collection Services, with LAZ Parking California, LLC for a total amount not to exceed \$50.8 million and for a total term of ten years (five base years, with an option to extend for up to five additional years), and request the Board of Supervisors to approve the Contract.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The SFMTA's Parking Meter Program was established to manage 25,500 on-street parking spaces and 500 spaces in public parking lots for the SFMTA and the Port of San Francisco for purposes of regulating parking and maintaining parking availability in high-demand areas; and,

WHEREAS, Since 2012, the SFMTA has collected approximately \$180 million in parking meter coin revenue, which is used to support on-street parking programs and public transit; and,

WHEREAS, The SFMTA requires assistance from an outside vendor to collect and process coins deposited in parking meters on City streets and Port properties, collect parking meter and other on-street parking data, collect parking occupancy and other on-street parking data, and perform other related services (Services); and,

WHEREAS, The City has determined in accordance with Proposition J that coin collection services can be performed by a private contractor at a lower cost than if performed by City employees, and the City has contracted coin collection and related services since 1978; and,

WHEREAS, In 2012, the SFMTA Board approved SFMTA Contract No. 2011-12-08 with Serco, Inc., for Parking Meter Coin Collections, Counting, and Support Services, for an amount not to exceed \$46.4M and a total term of ten years. In 2021, LAZ Parking California, LLC (LAZ) acquired Serco's coin collection division, and the Serco contract was subsequently assigned to LAZ; that Contract will expire on July 31, 2022; and,

WHEREAS, The SFMTA conducted outreach to the parking industry and identified four vendors capable of performing the Services; and,

WHEREAS, In December 2021, the SFMTA issued a Request for Proposals (RFP) No. SFMTA-2022-13 for Coin and Data Collection and Associated Support Services (Services). LAZ Parking California, LLC (LAZ) was the only company that submitted a proposal; and,

WHEREAS, Staff have determined that LAZ's proposal was responsive and LAZ is qualified to perform the Services, and further outreach and re-advertising the RFP would not result in more vendors submitting proposals to perform the Services; and,

WHEREAS, The monthly cost of the new Agreement is approximately 16 percent higher than the current Contract, which due to: (1) costs of new fleet of collection vehicles (current fleet is ten years old); (2) – addition of new data collection crew to perform various parking studies, such as occupancy, utilization, and parking census); (3) new analyst position (revenue reconciliation, coin collection optimization); (4) increases in labor costs; and,

WHEREAS, Funds required for the Services under the Agreement will come from the SFMTA's operational budget; however, the Port will reimburse the SFMTA for its share of the operational costs, which may vary between five and seven percent; and,

WHEREAS, The SFMTA, under authority delegated by the Planning Department, determined that SFMTA-2022-13, Coin and Data Collection and Associated Support Services contract with LAZ, is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); 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

WHEREAS, This contract is subject to approval by the San Francisco Board of Supervisors under Charter Section 9.118, because expenditures are anticipated to exceed \$10,000,000 over the term of the Contract; now, therefore be it

RESOLVED, That the SFMTA Board of Directors authorizes the Director of Transportation to execute Contract No. SFMTA-2022-13 with LAZ Parking California, LLC, for Parking Meter Coin and Parking Data Collection Services, for a total amount not to exceed \$50.8 million and for a base term of five years, with the option to extend the term for up to five additional years, which option the Director of Transportation may exercise without further action by the SFMTA Board of Directors; and, be it further

RESOLVED, That the SFMTA Board of Directors requests the Board of Supervisors to approve Contract No. SFMTA-2022-13 with LAZ Parking California, LLC, for Parking Meter Coin and Parking Data Collection Services, for a total amount not to exceed \$50.8 million and for a base term of five years, with the option to extend the term for up to five additional years, which option the Director of Transportation may exercise without further action by this Board or the Board of Supervisors.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of April 19, 2022.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

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

Agreement between the City and County of San Francisco and

LAZ Parking California, LLC

for Coin and Data Collection and Associated Support Services

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

**Agreement between the City and County of San Francisco and
LAZ Parking California, LLC
Contract No. SFMTA-2022-13**

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

Recitals

A. The SFMTA wishes to contract for Coin and Data Collection and Associated Support Services for parking meters under the jurisdiction of the SFMTA and the Port of San Francisco (PORT).

B. This Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through a Request for Proposals (RFP) issued on December 8, 2021, pursuant to which City selected Contractor as the highest-qualified scorer.

C. The Local Business Enterprise (LBE) subcontracting participation requirement for this Agreement is five percent (5%).

D. The Agreement was approved by the SFMTA Board of Directors on _____, and by the San Francisco Board of Supervisors on _____ as required by San Francisco Charter Section 9.1118.

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, regardless of capitalization, it shall have the meaning set forth below. Where a word or phrase is capitalized but not defined below, it shall have the meaning set forth in the glossary in Appendix A, Statement of Work:

1.1 “**Acceptance**” means the formal written acceptance by the City that all work, or a specific portion thereof, under the Contract has been satisfactorily completed, in accordance with

the Acceptance criteria set out in Section 6.5. “**Agreement**” or “**Contract**” means this written contract executed by the City and Contractor, including the Recitals, Appendices, attachments, and other documents incorporated by reference, covering the performance of the Work and furnishing of labor, materials, equipment, tools, and services, including Work incidental to the procurement, to include all Conformed Contract Documents, Contractor’s proposal submissions, the Contract bonds or other security, all Contract Modifications, and all applicable City Ordinances and Mandatory City Requirements specifically incorporated into this Agreement by reference as provided herein.

1.2 “**Amendment**” or “**Contract Modification**” means a written order, issued by the City to Contractor, covering changes in the Contract documents within the general scope of the Contract and establishing the basis of payment and time adjustments for the work affected by the changes.

1.3 “**Award**” means notification from the City to Contractor of acceptance of Contractor’s Proposal, subject to the execution and approval of a satisfactory Contract, and to such other conditions as may be specified or otherwise required

1.4 “**Board of Supervisors (BOS)**” means the Board of Supervisors of the City and County of San Francisco.

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

1.6 “**Certification**” means certification by the Controller of City that funds necessary to make payments as required under the Agreement are available in accordance with Section 6.302 of the City Charter.

1.7 “**Change Notice**” means a written interpretation, revision, or addition to the RFP issued before proposal opening.

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

1.9 “**City Data**” or “**Data**” means all data given to Contractor by City in the performance of this Agreement

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

1.11 “**Confidential Information**” means confidential City information including, but not limited to, personally-identifiable information (PII), protected health information (PHI), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical

Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of part 164); and San Francisco Administrative Code Chapter 12M (Chapter 12M).

1.12 “Conformed Contract Documents” means the contract documents revised to incorporate all changes made during the proposal period by Change Notice and to incorporate information included in the Proposal accepted by the City.

1.13 “Contract Administrator” means the contract administrator assigned to the Contract by the SFMTA, or his or her designated agent.

1.14 “Contractor” or “Consultant” means LAZ Parking California, LLC.

1.15 “Controller” means Controller of the City.

1.16 “C&P” means SFMTA Contracts and Procurement.

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

1.18 "Data Center(s)" means a physical location within United States or Canada where the Contractor (or its subcontractor) houses and operates the hardware (including computer servers, routers, and other related equipment), should the Contractor host on the Internet any Application and City Data pursuant to this Agreement.

1.19 “Day” means calendar days, unless otherwise designated.

1.20 “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 equipment, components, materials and Services and all other work product described in the “Statement of Work” attached as RFP Appendix A.

1.21 “Director” means the Director of Transportation of the SFMTA or his or her designee.

1.22 “Effective Date” means the date the SFMTA directs Contractor in writing (Notice to Proceed) to commence performing the Services and confirms that the City’s Controller has certified the availability of funds for this Agreement as provided in Section 4.1.

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

1.24 “**Mandatory City Requirements**” means those City laws set forth in the San Francisco Municipal Code that impose specific duties and obligations upon Contractor, including the duly authorized rules, regulations, and guidelines implementing such laws.

1.25 “**Meter**” or “**Parking Meter**” single or multi-space hardware responsible for taking parking patron payment in exchange for parking rights.

1.26 “**MTAB**” means Municipal Transportation Agency Board of Directors.

1.27 “**Notice to Proceed (NTP)**” means a written notice from the City to the Contractor of the date on which it shall begin the Work.

1.28 “**Party**” and “**Parties**” mean the City and Contractor either collectively or individually.

1.29 “**Performance Bond**” means security issued by a corporate surety, acceptable to the City and on a form furnished by the City, to guarantee the performance of obligations under the Contract.

1.30 “**Project Manager**” means the project manager assigned to the Contract for the SFMTA, or his or her designated agent.

1.31 “**Proposal**” means the technical and management information and prices submitted in the prescribed format and on the prescribed forms in response to the Request for Proposals.

1.32 “**Purchase Order**” means the written order issued by the City to the Contractor, confirming certification of funds as provided in Section 4.1.

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

1.34 “**Services**” means the work performed by Contractor under this Agreement as described in the Statement of Work (Appendix A to this Agreement).

1.35 “**Subcontractor**” means any individual, partnership, firm, or corporation that undertakes integrally on the Project the partial or total design, manufacture, or performance of one or more items of work under the terms of the contract. As used herein, the terms subcontractor and sub-supplier are synonymous.

1.36 “**Surety**” means the corporate body, licensed to issue bonds in the State of California, bound with and for the Contractor for the full and complete performance of the contract and for the payment of all debtors pertaining to the work.

1.37 “**Work**” means the furnishing of all services, products, materials, equipment, tools, supplies and the performance of all requirements called for by the Contract and necessary to the completion of the Contract.

Article 2 Term of the Agreement

2.1 The term of this Agreement shall commence on the Effective Date, as evidenced by SFMTA’s issuance of the Notice to Proceed, and expire five years from the Effective Date, unless earlier terminated or extended as provided herein.

2.2 The City has the option to extend the Agreement for up to five additional years. The City may extend this Agreement at the Director of Transportation’s sole and absolute discretion beyond the expiration date by exercising the option by unilaterally modifying this Agreement as provided in Section 16.5 (Modification of this Agreement).

2.3 Should the City extend the agreement beyond the base-term, then on the first calendar day of the month following each anniversary of the Effective Date of the Agreement, fees listed in this Appendix B shall be adjusted: 1) in direct proportion to the percentage increase in the current Consumer Price Index for Urban Wage Earners for the San Francisco Bay Area ("CPI") for the month immediately preceding the applicable anniversary date ("Current Index") over the CPI for the month of XX, 202X ("Base Index"), or by 3%, whichever is lower. If the Current Index has increased over the Base Index, the adjusted fee amount shall be calculated by multiplying the current fee amount by a fraction, the numerator of which is the Current Index and the denominator of which is the Base Index, as follows:

Current index

Base index x current fee amount = adjusted fee amount

Article 3 Statement of Work

3.1 The Agreement covers coin and data collection services and associated administrative and IT support services related to City’s (SFMTA and PORT) on-street parking meter systems (~26,000 parking spaces).

Article 4 Financial Matters

4.1 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.

4.2 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 16.5 (Modification of this Agreement).

4.3 Compensation.

4.3.1 Payment. Compensation shall be made in monthly payments on or before the 30th day of each month for work, as set forth in this Article 4 of this Agreement, that the SFMTA's Director of Transportation, in his or her sole discretion, concludes has been performed as of the last day of the immediately preceding month. Subject to any subsequent deductions for Liquidated Damages as listed in Appendix C, the City agrees to pay an amount not to exceed **Fifty Million Seven Hundred Ninety-Eight Thousand Eight Hundred Thirty-Three Dollars (\$50,798,833)** in accordance with the terms and conditions of this Agreement. The breakdown of costs associated with this Agreement appears in Appendix B (Cost Schedule), incorporated by reference as though fully set forth herein. In no event shall City be liable for interest or late charges for any late payments.

4.3.2 Payment Limited to Satisfactory Deliverables. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory Deliverables even if the unsatisfactory character of such Deliverables may not have been apparent or detected at the time such payment was made. Deliverables that do not conform to the requirements of this Agreement may be rejected by City and in such case, Contractor must cure any non-conformity without delay and at no cost to the City.

4.3.3 Payment Schedule; Management Fees and Labor Charges . The City will make monthly fee payments as compensation for Contractor's performance of the Services.

The fee payments include the fees described below. Contractor shall invoice the services of administrative personnel as separate line items in monthly invoicing, separate from the management fee billings, using the pricing categories in Appendix B (Cost Schedule) to this Agreement

(a) Coin Collection Management Fee: compensates Contractor for scale management (e.g., Jensen), inventory tracking equipment (scanners, CPU, printer), GPS systems and security.

(b) Data Collection Management Fee: compensates Contractor for Dixon Resources (occupancy crew management, dashboards and reporting, real time feed (. json format) to SFMTA data warehouse, custom geo-fencing for LPR occupancy work), occupancy vehicle and associated maintenance and operating costs.

(c) Support Services Management Fee: compensates Contractor for Database Administration Hours, Meter Shop telecommunications, certifications, Medeco XT support. Tableau software support and licensing.

These management fees incorporate compensation to Contractor for overhead and operating expenses that are allocated proportionally to the value and types of service described below. Increases or reductions in the Services shall include increases and reductions in these fees proportional to the type of service increased or reduced.

Management Fee Type –Compensated Expenses	
• Coin Collection (67%)	Office lease, utilities, insurance, bonding, telecommunication for LAZ office staff, vehicles, fuel, repair, and maintenance, office maintenance and uniforms, corporate overhead, collection security seals, training (i.e., safety driver, 1-800 ... number, conflict resolution, wellness). Management Fees cover these specific items
• Data Collection (15%)	
• Support Services (18%)	

(d) **Parking Meter Support Equipment Purchases.** The City will make payment for each order of equipment after its delivery to the Meter Shop and receipt of a proper invoice.

(e) **Parking Meter Smart Cards.** The City will make payment for each order of smart cards after its delivery to the SFMTA Coin Room (Basement, 1 South Van Ness) and receipt of a proper invoice.

4.3.4 Withhold Payments. If Contractor fails to provide Deliverables in accordance with Contractor's obligations under this Agreement, the City may withhold any and all payments due Contractor for such Deliverables 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.

4.3.5 Invoice Format. Contractor may invoice SFMTA for all items and Services covered under this Agreement. Invoices furnished by Contractor under this Agreement must be in a form acceptable to the City's Controller and the SFMTA, and must include a unique invoice number. City will make payment as specified in Section 4.3.10, or in such alternate manner as the Parties have mutually agreed upon in writing.

Each invoice shall also include:

- a. Contract number
- b. Purchase Order number
- c. Peoplesoft Supplier Name and ID
- d. Complete description of Services performed and/or goods delivered
- e. Quantity of items
- f. Unit price
- g. Contract payment terms
- h. Amount of sales taxes requested to be paid
- i. Total invoice amount

Contractor's invoices shall be supported by evidence (such as original delivery notes, staff timesheets, or other supporting documents) satisfactory to SFMTA that the Work invoiced has been accomplished and that the materials, listed, if any, are stored and ready for use.

4.3.6 Currency. All payments by the City to Contractor pursuant to this Article 4 shall be in United States Dollars and made by bank-to-bank electronic transfer. Contractor shall provide to SFMTA all routing information required to effect such transfers.

4.3.7 Exchange Rate Risk. The City will not make price adjustments on this Contract to protect the Contractor from fluctuations in the value of the applicable foreign currency in relation to the United States dollar.

4.3.8 Inflation Risk. City will not make price adjustments during the base term of this Contract to protect Contractor from economic inflation. A one-time price adjustment may be considered during extension years.

4.3.9 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.

4.3.10 Payment Processing.

(a) 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.

(b) 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.

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

4.5 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.

4.6 Payment Does Not Imply Acceptance of Work. The granting of any payment or payments by the City, or the receipt thereof by the Contractor, shall in no way lessen the liability of the Contractor to replace unsatisfactory work or material although the unsatisfactory character of such work or material may not have been apparent or detected at the time such payment was made. Materials, components, or workmanship that do not conform to the Technical Specifications will be rejected and shall be replaced by the Contractor without delay.

4.7 Payment of Prevailing Wages.

4.7.1 Covered Services. Services to be performed by Contractor under this Agreement will involve the performance of work covered by Chapter 21C.7 [Miscellaneous Prevailing Wage Requirements] of the San Francisco Administrative Code (Covered Services), as mandated by San Francisco Administrative Code section 21C.7 (S.F. Ordinance 161-16) (a copy of which can be found at: https://codelibrary.amlegal.com/codes/san_francisco/latest/sf_admin/0-0-0-26221) which is incorporated to this Agreement by reference as if fully set out herein. The provisions of Chapter 21C 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.

4.7.2 Wage Rates. The latest prevailing wage rates for private employment on public contracts as determined by the San Francisco Board of Supervisors, as such prevailing wage rates may be changed during the term of this Agreement, are hereby incorporated as provisions of this Agreement. 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 Covered Services under this Agreement.

4.7.3 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.

4.7.4 Posted Notices. Contractor shall post job site notices regarding the obligations imposed by this Section 4.7 at all job sites where Covered Services are to be performed.

4.7.5 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.

4.7.6 Reserved. (Certified Payrolls)

4.7.7 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.

4.7.8 Remedies. Should Contractor, or any subcontractor who shall undertake the performance of any Covered Services, fail or neglect to pay to the persons who perform Covered Services under this contract, subcontract or other arrangement for the Covered Services, the general prevailing rate of wages as herein specified, Contractor shall forfeit, and in the case of any subcontractor so failing or neglecting to pay 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.

Article 5 Services and Resources

5.1 Services Contractor Agrees to Perform. Contractor agrees to perform the Services stated in the Statement of Work (Appendix A to this Agreement). 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 B, unless Appendix B is modified as provided in Section 16.5 (Modification of this Agreement).

5.2 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 Work. Contractor will comply with City's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit adequate resources to allow timely completion within the project schedule specified in this Agreement. Contractor shall notify the City should any assigned personnel listed in Appendix A, section 1.A.1) resign or be terminated.

5.3 Subcontracting.

5.3.1 Contractor may subcontract portions of the Work only upon prior written approval of City. Contractor is responsible for its subcontractors throughout the course of the work required to perform the Work. All subcontracts must incorporate the terms of Article 15 (Additional Requirements Incorporated by Reference) of this Agreement, unless inapplicable. Neither Party shall, on the basis of this Agreement, contract on behalf of, or in the name of, the other Party. Any agreement made in violation of this provision shall be null and void.

5.3.2 City's execution of this Agreement constitutes its approval of the subcontractors listed below.

- Priority Ventures Management LLC (maintenance application services and support)
- Dixon Resources Unlimited (data collection services)
- FMS Ventures, Inc. DBA Banner Uniform Center
- City Diesel LLC DBA American Diesel (fuel)
- Hi-Times Discount Office Products (office products etc.)
- Clean-A-Rama Maintenance Services (vehicle maintenance)
- Rolling Stock Inc. (seals and other materials)
- TAZ Auto Mobile Detailing (vehicle cleaning and detailing)

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

5.4.1 Independent Contractor. For the purposes of this Section 5.4, “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.

5.4.2 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 5.4 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.

5.5 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.

5.6 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 to ensure that all Services performed are correct and appropriate for the purposes contemplated in this Agreement.

Article 6 Liquidated Damages; Credit Assessments; Delay

6.1 Liquidated Damages Schedule. The Schedule of Liquidated Damages (LDs) is in Appendix C. LDs will not be assessed in situations where actual damages are known. Moreover, City may seek damages for matters for which liquidated damages are not provided for and any other damages that may be recoverable by the City and specified elsewhere in the Contract documents. With respect to any breaches or items for which the City has a right to obtain liquidated damages, the City will not seek actual damages or any damages in excess of the liquidated damages to which it is be entitled. Contractor agrees that the liquidated damages described in this Agreement are not a penalty, but are fair and negotiated compensation to the SFMTA for losses it will incur arising from Contractor's breach (that is, failure to perform the Services as required by this Agreement) where the City's actual damages arising from Contractor's breach would be difficult or impossible to determine at the time of said breach.

6.2 Reserved. (Credit Assessments).

6.3 Unavoidable Delay. An Unavoidable Delay is an interruption of the Work beyond the control of the Contractor, which the Contractor could not have avoided by the exercise of care, prudence, foresight, and diligence. Such delays include and are limited to acts of God; floods; windstorms; tornadoes; earthquakes or other natural disasters; acts of terrorism; wars; riots; insurrections; epidemics or pandemics; quarantine restrictions; strikes and lockouts; freight embargoes; acts of a governmental agency; priorities or privileges established for the manufacture, assembly, or allotment of materials by order, decree, or otherwise of the United States or by any department, bureau, commission, committee, agent, or administrator of any legally constituted public authority; changes in the Work ordered by the City insofar as they necessarily require additional time in which to complete the entire Work; the prevention by the City of the Contractor's commencing or prosecuting the Work. The duration of said Unavoidable Delays shall be limited to the extent that the commencement, prosecution, and completion of the Work are delayed thereby, as determined by the City acting reasonably.

6.4 Notification of Delay. The Contractor shall notify SFMTA as soon as the Contractor has, or should have, knowledge that an event has occurred that will result in an

Unavoidable Delay of deliveries. Within five calendar days, the Contractor shall confirm such notice in writing, furnishing as much detail as is available.

6.5 Request for Extension of Time. The Contractor agrees to supply, as soon as such data is available, any reasonable proof that is required by SFMTA to evaluate and determine a request for an extension of time. SFMTA shall examine the request and any documents supplied by the Contractor and shall determine if the Contractor is entitled to an extension of time and the duration of such extension. SFMTA shall notify the Contractor of its decision in writing. The granting of an extension of time because of Unavoidable Delays shall in no way operate as a waiver on the part of the City of the right to collect liquidated damages for other delays or of any other rights to which the City is entitled.

Article 7 Bonding Requirements

7.1 The Contractor shall maintain at its own expense, and furnish to City, within 30 Days following the receipt of the Notice to Proceed of the Contract, corporate surety bonds, as follows:

7.1.1 A Performance Bond in the amount of \$1,000,000 to guarantee Contractor's faithful performance of all obligations regarding the Services to be furnished under the Contract. The SMFTA may call and claim against the Performance Bond to cover the Agency's costs incurred in using its own forces to perform the Services or another vendor to perform the Services if the Contractor is unable or unwilling to perform the Services.

7.2 The corporate surety on these bonds must be legally authorized to engage in the business of furnishing surety bonds in the State of California. All sureties, bond coverage forms, and requests for changes to the bonding requirements must be approved by the City's Risk Manager. During the period covered by the Contract, if the surety on these bonds shall, in the opinion of the City's Risk Manager, become insolvent or unable to pay promptly the amount of such bonds to the extent to which surety might be liable, the Contractor, within 30 days after notice given by the City to the Contractor, shall by supplemental bonds or otherwise substitute another and sufficient surety approved by the Risk Manager in place of the surety becoming insolvent or unable to pay. If the Contractor fails within such 30-day period to substitute another and sufficient surety, the Contractor shall, if the City so elects, be deemed to be in default in the performance of its obligations hereunder, and the City, in addition to any and all other remedies, may terminate the Contract or bring any proper suit or proceeding against the Contractor and the surety, or may deduct from any monies then due or which thereafter may become due to Contractor under the Contract the amount for which the surety, insolvent or unable to pay as aforesaid, is obligated on the bonds, and the monies so deducted shall be held by the City as collateral security for the performance of the conditions of the bonds.

Article 8 Letter of Credit

8.1 As an alternative to furnishing the performance bond(s) under Section 7, Contractor may submit within 30 Days following the receipt of a Notice to Proceed, one or more letters of credit in the amounts described in subsection 7.1.1 that comply with the requirements set forth below.

8.2 Any and all letters of credit issued pursuant to this Agreement shall be obtained from a national or California bank with at least a Moody's A rating and having at least one branch office within the City and County of San Francisco. The letter of credit shall be a confirmed, clean irrevocable letter of credit in favor of the City and County of San Francisco, a municipal corporation. The letter of credit shall have an original term of one year, with automatic extensions of the principal amount throughout the term of the contract, or until released by the City. The letter of credit shall provide that payment of the entire face amount of the letter of credit, or any portion thereof, shall be made to the City and County of San Francisco, upon presentation of a written demand to the bank signed by the General Manager on behalf of the City and County of San Francisco. The letter of credit shall constitute a security deposit guaranteeing all progress payments for which the letter of credit is issued.

8.3 If Contractor defaults with respect to any provision of this Agreement, City may, but shall not be required to, make its demand under the letter of credit for all or any portion thereof to compensate City for any loss that City may have incurred by reason of Contractor's default. City shall present its written demand to the bank for payment under the letter of credit only after City shall have made its demand for payment directly to Contractor, and five full business days have elapsed without Contractor having made payment to City or otherwise cured the default. City need not terminate this Agreement in order to receive compensation for its damages. If any portion of a letter of credit is so used or applied, Contractor, within 10 business days after written demand, therefore, shall reinstate the letter of credit to its original amount; Contractor's failure to do so shall be a material breach of this Agreement.

8.4 Any letter of credit issued hereunder shall provide for 60 days' notice by the bank to City in the event of non-extension of the letter of credit; in that event, Contractor shall replace the letter of credit at least 10 business days prior to its expiration. If Contractor fails to do so, City shall be entitled to present its written demand for payment of the entire face amount of the letter of credit. Any amounts so received by City shall be returned to Contractor upon replacement of the letter of credit.

8.5 If City receives any payments from the aforementioned bank under the letter of credit by reason of having made a wrongful or excessive demand for payment, City shall return to Contractor the amount by which City's total receipts from Contractor and from the bank under the letter of credit exceeds the amount to which City rightfully is entitled, together with interest

thereon at the legal rate of interest, but City shall not otherwise be liable to Contractor for any damages or penalties.

Article 9 Insurance and Indemnity

9.1 Insurance.

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

(a) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations.

(b) Commercial Automobile Liability Insurance with limits not less than \$5,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

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

(d) Reserved. (Professional Liability Coverage)

(e) Technology Errors and Omissions Liability coverage, with limits of \$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 contract and shall also provide coverage for the following risks:

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

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

(f) Contractor shall maintain in force during the full life of the Agreement Cyber and Privacy Insurance with limits of not less than \$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.

(g) Fidelity Bond (Crimes Insurance) with coverage in the amount of not less than \$500,000 per claim.

(h) Reserved. (Pollution Liability Insurance)

9.1.2 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)

9.1.3 Waiver of Subrogation Endorsements

(a) The Workers' Compensation policy(ies) and General Liability 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.

9.1.4 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 policies shall provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that the insurance applies separately to each insured against whom claim is made or suit is brought.

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

9.1.5 Other Insurance Requirements

(a) All policies shall be endorsed to provide 30 days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in Section 16.1 (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 contract 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.

9.2 Indemnification. Contractor shall indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts not in accordance with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by

City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

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

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

Article 10 Liability of the Parties

10.1 Liability of City. CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 4.3.1 (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.

10.2 Liability for Use of Equipment. City shall not be liable for any damage to Contractor's employee(s) or other 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. The acceptance or use of such equipment by Contractor or any of its employees shall be construed to mean that Contractor accepts full responsibility for and agrees to exonerate, indemnify, defend, and save harmless City from and against any and all claims for any damage or injury of any type arising from the use,

misuse, or failure of such equipment, whether such damage be to the contractor, its employees, City employees, or third parties, or to property belonging to any of the above.

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

Article 11 Payment of Taxes

11.1 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.

11.2 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:

11.2.1 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.

11.2.2 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.

11.2.3 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.

11.2.4 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.

Article 12 Termination and Default

12.1 Termination for Convenience

12.1.1 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 a 90-Day written notice of termination. The notice shall specify the date on which termination shall become effective.

12.1.2 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 of the following, without limitation:

- (a) Halting the performance of all Work under this Agreement on the date(s) and in the manner specified by the SFMTA.
- (b) Terminating all existing orders and subcontracts to the extent possible, 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 Work that the SFMTA designates to be completed prior to the date of termination specified by the SFMTA.
- (f) Transferring title to the SFMTA and delivering in the manner, at the times, and to the extent, if any, directed by the SFMTA the fabricated or un-fabricated parts, work in process, completed work, supplies, and other material produced as part of, or acquired in connection with the performance of the work terminated, and the completed or partially completed plans, drawings, information and other property which, if the contract had been completed, would have been required to be furnished to the SFMTA.
- (g) Using its best efforts to sell, in the manner, at the times, to the extent, and at the price(s) directed or authorized by the SFMTA, any property of the types referred to above; provided, however, that the Contractor shall not be required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed by and at a

price(s) approved by the SFMTA; and provided further that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by the SFMTA to the Contractor under this Contract or shall otherwise be credited to the price or cost of the work covered by this contract or paid in such other manner as the SFMTA may direct.

(h) 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.

12.1.3 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 cost to Contractor, for all Deliverables completed and accepted prior to the specified termination date, for which Deliverables the SFMTA has not already tendered payment. Contractor may also recover the reasonable cost of preparing the invoice.

(b) 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.

(c) 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 Deliverables.

12.1.4 In no event shall the 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 12.1.3. Such non-recoverable costs include, but are not limited to, anticipated profits on the Work 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 12.1.3.

12.1.5 In arriving at the amount due to Contractor under this Section, the SFMTA may deduct: (i) all payments previously made by the SFMTA for Deliverables 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 12.1.4; and (iv) in instances in which, in the opinion of the SFMTA, the cost of any Work 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.

12.1.6 The City's payment obligation under this Section shall survive termination of this Agreement.

12.2 Termination for Default; Remedies.

12.2.1 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:

4.5	Submitting False Claims
5.5	Assignment
Article 9	Insurance and Indemnity
Article 11	Payment of Taxes
15.11	Alcohol and Drug-Free Workplace
16.9	Compliance with Laws
Article 18	Data and Security

(b) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, including any obligation imposed by ordinance or statute and incorporated 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.

12.2.2 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 12.2.2 shall survive termination of this Agreement.

12.2.3 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.

12.2.4 Any notice of default must be sent to the address set forth in Article 16, and in the manner prescribed in Article 16.

12.3 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.

12.4 Rights and Duties upon Termination or Expiration.

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

- 4.3.2 Payment Limited to Satisfactory Deliverables
- 4.4 Audit and Inspection of Records
- 4.5 Submitting False Claims

Article 9	Insurance and Indemnity
10.1	Liability of City
10.3	Liability for Incidental and Consequential Damages
Article 11	Payment of Taxes
12.1.6	Payment Obligation
13.1	Ownership of Results
13.2	Works for Hire
16.6	Agreement Made in California; Venue
16.7	Construction
16.8	Entire Agreement
16.9	Compliance with Laws
16.11	Severability
Article 18	Data and Security

12.4.2 Subject to the survival of the Sections identified in Section 12.4.1, above, if this Agreement is terminated prior to expiration of the term specified in Article 2, this Agreement shall be of no further force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City.

Article 13 Intellectual Property Rights

13.1 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.

13.2 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 14 Authority of Contract Administrator; Claims; Disputes

14.1 Authority of SFMTA Contract Administrator. The SFMTA Contract Administrator shall decide all questions which may arise as to the quality or acceptability of materials furnished and work performed and as to the manner of performance and rate of progress of the Work; all questions which may arise as to the acceptable fulfillment of the Contract on the part of the Contractor; and all questions as to compensation. In discharging the responsibilities outlined above, the SFMTA Contract Administrator shall at all times act fairly and reasonably. Any appeal of the SFMTA Contract Administrator's decisions shall be in accordance with the provisions of Section 14.4 of this Agreement. As with any claim, change, extra or additional work, Contractor shall be paid in accordance with the payment provisions set out in Article 4 of this Contract when the dispute is finally resolved.

Should any questions arise as to the meaning and intent of the Contract, the matter shall be referred to the SFMTA Contract Administrator, who, in consultation with other City representatives, as applicable, and with input from the Contractor, shall decide the true meaning and intent of the Contract. The SFMTA Contract Administrator's decision in this regard shall be administratively final and conclusive.

14.2 Claims for Additional Compensation.

14.2.1 Contractor shall not be entitled to the payment of any additional compensation for any action, or failure to act, by the SFMTA, including failure or refusal to issue a Contract Modification or for the happening of any event, thing, occurrence, or other cause, unless Contractor shall have given the Project Manager due written notice of potential claim.

14.2.2 The written notice of potential claim shall set forth the reasons for which Contractor believes additional compensation will or may be due, the nature of the costs involved, and insofar as possible, the amount of the potential claim. The said notice as above required must have been given to the SFMTA Contract Administrator prior to the time that Contractor shall have performed the work giving rise to the potential claim for additional compensation, or in all other cases, within 15 Days after the happening of the event, thing, occurrence, or other cause giving rise to the potential claim.

14.2.3 It is the intention of the Parties that differences between the Parties arising under and by virtue of the Contract be brought to the attention of the SFMTA at the earliest possible time in order that such matters may be settled, if possible, or other appropriate action promptly be taken. Contractor agrees that it shall have no right to additional compensation for any claim that may be based on any such act, failure to act, event, thing, or occurrence for which no written notice of potential claim as herein required was filed.

14.3 Other Claims. For any dispute involving a question of fact that does not involve a claim for additional compensation, the aggrieved party shall furnish the other party with a notice of dispute within 15 Days of the determination of the dispute. The party receiving a notice of dispute shall submit a written reply with 15 Days of delivery of the notice. The notice and response shall contain the following: (a) a statement of the party's position and a summary of the arguments supporting that position, and (b) any evidence supporting the party's position.

14.4 Resolution of Disputes. Disputes arising in the performance of this Agreement that are not resolved by negotiation between the SFMTA Contract Administrator and Contractor may be appealed to the Parking Director, who will decide the matter after affording the Contractor an opportunity to be heard and to offer evidence in support of its position. The decision of the Parking Director shall be administratively final and conclusive.

14.5 No Cessation of Work. Pending final resolution of a dispute hereunder, the Contractor shall proceed diligently with the performance of its obligations under this Agreement in accordance with the written directions of the SFMTA Contract Administrator.

14.6 Alternative Dispute Resolution. If agreed to by both parties, disputes may be resolved by a mutually agreed to alternative dispute resolution process.

Article 15 Additional Requirements Incorporated by Reference

15.1 Laws Incorporated by Reference. The full text of the laws listed in this Article 15, 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.

15.2 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.

15.3 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.

15.4 Non-Collusion. By submitting a proposal, the Proposer represents and warrants that such proposal is genuine and not sham or collusive or made in the interest or on behalf of any person not therein named, and that the Proposer has not, directly or indirectly, induced or solicited any other Proposer to submit a sham proposal, or any other person, firm, or corporation to refrain from proposing, and that the Proposer has not in any manner sought by collusion to secure to the Proposer an advantage over any other Proposer. If at any time it shall be found that the person, firm, or corporation to whom a contract has been awarded has, in presenting any proposal or proposals, colluded with any other party or parties, then the contract so awarded shall be null and void and the Contractor and its surety shall be liable to the City for all loss or damage which the City may suffer thereby; and the City may advertise for a new contract for said equipment.

15.5 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.

15.6 Nondiscrimination Requirements

15.6.1 Nondiscrimination in Contracts. Contractor shall comply with the provisions of Chapters 12B and 12C of the San Francisco Administrative Code. Contractor shall incorporate by reference in all subcontracts the provisions of 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.

15.6.2 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.

15.7 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 five 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.

15.8 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.

15.9 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.

15.10 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. Contractor shall hire fifteen (15) professional service trainees during the term of this Agreement.

15.11 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.

15.12 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.

15.13 Reserved. (Slavery Era Disclosure)

15.14 Reserved. (Working with Minors)

15.15 Consideration of Criminal History in Hiring and Employment Decisions

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

15.15.2 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.

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

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

15.18 Reserved. (Distribution of Beverages and Water)

15.19 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.

15.20 Reserved. (Preservative Treated Wood Products).

15.21 COVID Vaccination and Safety Requirements. Contractor shall comply with the requirements of the 38th Supplement to Mayoral Proclamation Declaring the Existence of a Local Emergency ("Declaration"), dated February 25, 2020, and the Vaccination Policy for City Contractors issued by the City Administrator on October 22, 2012 ("Vaccination Policy"), as those documents may be amended from time to time. (See City Administrator website at TBD)]. The requirements stated in the Declaration and Vaccination Policy are material terms and conditions of this Agreement.

15.21.1 Contractor shall identify its Covered Employees who are or will be performing Work or Services under this Agreement and shall inform them of the COVID safety and vaccination requirements stated in the Vaccination Policy.

15.21.2 Contractor shall maintain a list of its Covered Employees by name and position, which list shall not include the employees' vaccination status. Contractor shall update said list whenever it hires an additional Covered Employee. Contractor shall provide that list to the City on request.

15.21.3 Contractor shall complete and submit to the SFMTA the "Contractor Attestation Affirming Compliance With San Francisco's Covid-19 Contractor Vaccination Policy" form (Appendix D) confirming Contractor's compliance with the Vaccination Policy. Contractor must submit a new Attachment A (to the Attestation Form) if at any point the Contractor assigns a new Covered Employee to work on the contract and determines that the new Covered Employee is eligible for a qualifying exemption under the Vaccination Policy.

15.21.4 Contractor shall be responsible for determining the vaccination status of any Covered Employees working for their subcontractors on a project. Contractor shall ensure that its covered subcontractors submit required information to the Contractor to ensure its covered subcontractors' compliance with the Vaccination Policy and the Declaration.

15.21.5 Contractor shall coordinate and confirm with the SFMTA that the Agency can safely accommodate at its worksite any Contractor's Covered Employee for whom the Contractor has granted a medical or religious vaccination exemption, which may include ensuring that exempt Covered Employees who are accommodated comply with any required health and safety protocols.

Article 16 General Provisions

16.1 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: San Francisco Municipal Transportation Agency
1 South Van Ness Avenue, 3rd Floor
San Francisco, CA 94103
Attn: Lorraine R. Fuqua, Contract Administrator
415.646.4524
lorraine.fuqua@sfmta.com

To Contractor: LAZ Parking California, LLC
5901 Christie Avenue, Suite 202
Emeryville, CA 94608
Rod Howery, Regional Vice President

rhowery@lazparking.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.

16.2 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.

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

16.4 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.

16.5 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 16.1 (Notices to the 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).

16.6 Agreement Made in California; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

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

16.8 Entire Agreement. This Contract sets forth the entire agreement between the Parties, and supersedes all other oral or written provisions. All appendices to this Agreement are incorporated by reference as though fully set forth. This Agreement may be modified only as provided in Section 16.5 (Modification of this Agreement).

16.9 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.

16.10 Time. Time is of the essence in this Agreement.

16.11 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.

16.12 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.

16.13 Order of Precedence. Contractor agrees to perform the services described below in accordance with the terms and conditions of this Agreement and the RFP. In case of any conflict between the RFP and this Agreement, this Agreement shall have precedence.

Article 17 SFMTA Specific Terms

17.1 Large Vehicle Driver Safety Training Requirements.

17.1.1 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/largevehicletainingstandards. 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.

17.1.2 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 18 Data and Security

18.1 City Data

18.1.1 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.

18.1.2 Use of City Data. Contractor agrees to hold City Data received from or created on behalf of the City in strictest confidence. Contractor shall not use or disclose City's Data except as permitted or required by the Agreement or as otherwise authorized in writing by the City. Access to City's Confidential Information must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. Contractor is provided a limited non-exclusive license to use the City Data 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, including user tracking and exception City Data within the system, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third party. Unauthorized use of City Data by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for unrelated commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.

18.2 Proprietary or Confidential Information

18.2.1 Proprietary or Confidential Information of City. Contractor understands and agrees that all data that it collects in the course of performing the Services is Confidential Information that Contractor shall only access and use as allowed under this Agreement or as specifically authorized and directed by the SFMTA in writing. The performance of the work or services under this Agreement may involve access to City Data that the SFMTA deems to be Confidential Information. Confidential Information includes but is not limited to the following:

- (a) Collection schedules and routes
- (b) Coin delivery schedules

(c) Value of collections

(d) Identification and information concerning collection equipment, including but not limited to electronic collection keys

In addition, Contractor and any subcontractors or agents shall use Confidential Information only in accordance with all applicable local, state and federal laws restricting the access, use and disclosure of Confidential Information, and only as necessary in the performance of this Agreement. Contractor's failure to comply with any requirements of local, state or federal laws restricting access, use and disclosure of Confidential Information shall be deemed a material breach of this Agreement, for which City may terminate the Agreement. In addition to termination or any other remedies set forth in this Agreement or available in equity or law, the City may bring a false claim action against the Contractor pursuant to Chapters 6 or 21 of the Administrative Code, or debar the Contractor. Contractor agrees to include all of the terms and conditions regarding Confidential Information contained in this Agreement in all subcontractor or agency contracts providing services under this Agreement.

18.2.2 Obligation of Confidentiality. Subject to San Francisco Administrative Code Section 67.24(e), any state open records or freedom of information statutes, and any other applicable laws, the Contractor agrees to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third-parties other than its employees, agents, or authorized subcontractors who have a need to know in connection with this Agreement, or to use such Confidential Information for any purposes whatsoever other than the performance of this Agreement. Contractor agrees to advise and require its respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential.

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

18.2.4 Litigation Holds. Contractor shall retain and preserve City Data in accordance with the City's instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by the City to Contractor, independent of where the City Data is stored.

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

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

18.2.7 Remedies for Breach of Obligation of Confidentiality. Contractor acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the City, which damage may be inadequately compensable in the form of monetary damages. Accordingly, City may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available, to include, at the sole election of City, the immediate termination of this Agreement, without liability to City.

18.2.8 Surrender of Confidential Information upon Termination. Upon termination of this Agreement, including but not limited to expiration of the term, early termination or termination for convenience, Contractor shall, within five Days from the date of termination, return to City any and all Confidential Information received from the City, or created or received by Contractor on behalf of the City, which are in Contractor's possession, custody, or control. The return of Confidential Information to City shall follow the timeframe and procedure described further in this Agreement (Article 18).

18.2.9 Data Security. To prevent unauthorized access or "hacking" of City Data, Contractor shall at all times during the Term provide and maintain up-to-date security with respect to (a) the Services, (b) Contractor's physical facilities, and (c) Contractor's networks. Contractor shall provide security for its networks and all Internet connections consistent with best practices observed in the financial services industry, and shall promptly install all patches, fixes, upgrades, updates and new versions of any security software it employs. Contractor will maintain appropriate safeguards to restrict access to City's Data to those employees, agents or service providers of Contractor who need the information to carry out the purposes for which it was disclosed to Contractor. For information disclosed in electronic form, Contractor agrees that appropriate safeguards include electronic barriers (e.g., most current industry standard encryption for transport and storage, such as the National Institute of Standards and Technology's Internal Report 7977 or Federal Information Processing Standards [FIPS] 140-2 [Security Requirements for Cryptographic Modules] or FIPS-197 or successors, intrusion prevention/detection or similar barriers) and secure authentication (e.g., password protected) access to the City's Confidential Information and hosted City Data. For information disclosed in written form, Contractor agrees that appropriate safeguards include secured storage of City Data. City Data classified as Confidential Information shall be encrypted at rest and in transit with controlled access. Contractor shall also establish and maintain any additional physical, electronic, administrative, technical and procedural controls and safeguards to protect City Data that are no less rigorous than accepted industry practices (including, as periodically amended or updated, the International Organization for Standardization's standards: ISO/IEC 27001:2005 – Information Security Management Systems – Requirements and ISO-IEC 27002:2005 – Code of Practice for International Security Management, NIST Special Publication 800-53 Revision 4 or its successor, NIST Special Publication 800-18 or its successor, the Information Technology Library (ITIL) standards, the Control Objectives for Information and related Technology (COBIT) standards, or other applicable industry standards for information security), and shall ensure that all such controls and safeguards, including the manner in which Confidential Information is collected, accessed, used, stored, processed, disposed of and disclosed, comply with applicable data protection and privacy laws, as well as the terms and conditions of this Agreement. Contractor warrants to the City compliance with the following (as periodically amended or updated) as applicable:

- (a) The California Information Practices Act/California Consumer Privacy Act (Civil Code §§ 1798, et seq):
- (b) The European General Data Protection Regulation (GDPR)
- (c) Compliance with the following, as applicable:

(i) Federal Risk and Authorization Management Program (FedRAMP) certification, where federal funding is involved, and show evidence of having an active compliance program;

(ii) Based upon the City's classification of Data: Relevant security provisions of the Payment Card Industry (PCI) Data Security Standard (PCI DSS) including the PCI DSS Cloud Computing Guidelines.

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

18.2.11 City's Right to Termination for Deficiencies. City reserves the right, at its sole election, to immediately terminate this Agreement, without limitation and without liability, if City reasonably determines that Contractor fails or has failed to meet its obligations under this Article 18.

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

18.3 SSAE 18, SOC 2, Type II Report, and/or SOC 1 Audit Report.

18.3.1 Contractor shall provide to City, on an annual basis, an SSAE 18, SOC 2, Type II Report, and an SSAE SOC 1 audit report, to be conducted by an independent third party ("Audit Reports") (if Contractor is using a hosting service provider, Contractor shall provide such Audit Reports it receives from its service provider or providers) as follows: (a) the Audit Reports shall include a 365 day (12-month) testing period; and (b) the Audit Reports shall be available to City no later than thirty (30) days after they are received by Contractor. Upon City's written

request, Contractor shall provide a so-called “negative assurance opinion” to City as soon as said opinion is received by Contractor. Contractor shall implement reasonably required safeguards as identified by any audit of Contractor’s data privacy and information security program. In the event that an annual Audit Report that finds a material data privacy or information security issue, Contractor shall, upon written request by City, provide to City any additional Audit Reports and “negative assurance opinions” as City may reasonably request in order to help enable City to see if Contractor’s mitigation measures have been effective in addressing such issue(s).

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

18.3.3 Information Security Audits. Contractor must contract with an independent third-party to perform yearly information security audits of their primary and backup Data Centers. The annual audits must include an outside penetration/vulnerability test, and internal penetration and vulnerability tests with the third-party directly on the internal network. The summary results of the audits must be shared with the City. All audit findings must be remedied.

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

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

18.5 Reserved. (Business Associate Agreement).

18.6 Reserved (Disaster Recovery).

Article 19 Included Appendices

19.1 The following appendices are attached and incorporated into this Agreement as though fully set forth herein and together form the complete Agreement between the Parties:

- A. Statement of Work and listed Attachments
- B. Calculation of Charges
- C. Liquidated Damages
- D. Contractor Attestation Affirming Compliance With San Francisco’s Covid-19 Contractor Vaccination Policy

Article 20 MacBride Principles And Signature

20.1 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.

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

<p>San Francisco Municipal Transportation Agency</p> <hr/> <p>Jeffrey P. Tumlin Director of Transportation</p> <p>Authorized By:</p> <p>Municipal Transportation Agency Board of Directors</p> <p>Resolution No: _____</p> <p>Adopted: _____</p> <p>Attest: _____ Secretary to the Board</p> <p>Board of Supervisors</p> <p>Resolution No: _____</p> <p>Adopted: _____</p> <p>Attest: _____ Clerk of the Board</p> <p>Approved as to Form:</p> <p>David Chiu City Attorney</p> <p>By: _____ Robert K. Stone Deputy City Attorney</p> <p>n:\ptc\as2022\1000453\01589938.docx</p>	<p>Contractor</p> <p>LAZ Parking California, LLC</p> <hr/> <p>Michael Kuziak Chief Operating Officer Email: mkuziak@lazparking.com W (860)761-0388 C (860) 685-1084 One Financial Plaza, 14th Floor, Hartford, CT 06103</p> <p><u>Acknowledgement of Large Vehicle Driver Safety Training Requirements:</u></p> <p>By signing this Agreement, Contractor acknowledges that it has read and understands Section 12.1: Large Vehicle Driver Safety Training Requirements.</p> <p>City Supplier Number: 0000016454</p>
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Appendix A

Statement of Work Coin and Data Collection Services and Associated Support

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I. Table of Terms and Abbreviations

Term or Abbreviation	Description
Business Intelligence (BI)	Business Intelligence (BI) comprises the strategies and technologies used by enterprises for the data analysis of business information. BI technologies provide historical, current, and predictive views of business operations. Common functions of business Intelligence technologies include reporting, online analytical processing, analytics, dashboard development, data mining, process mining, complex event processing, business performance management, benchmarking, text mining, predictive analytics, and prescriptive analytics.
Business Day	Monday through Friday, excluding holidays.
Business Hours	Monday through Friday, 8 a.m. to 5 p.m.
Cashbox	Coin depository within multi-space meter
CBA	Collective Bargaining Agreement
Coin Canister	The canister in the single-space meter vault to which coins are deposited by the meter user
Collection Crew Shift	A four (4) hour work shift for meter coin collectors
Collection Route	A series of parking meters that are generally grouped by geographic locations, hours of operation and meter rates
Collection Sub-route	Smaller portion of collection route
Collection Vault	Canister used by collection staff to deposit coins from the coin canister
Collection Vault Head	Upper part of the collection vault with coin canister receptacle
Contractor	[The Proposer who is awarded the contract]
CSV	Comma separated values file
Cummins-Allison/Jet Sorter	Coin sorting and counting hardware/software
Data Collection Crew	One driver and one or two parking meter collector

Day	A calendar day
Fiscal Year	July 1 – June 30
FTP	File transfer protocol
IPS	Single-space meter manufacturer
IPS MMS	IPS Meter management system

Term or Abbreviation	Description
ISO	International Standards Organization
J.J. MacKay	Meter Manufacturer
KPI	Key Performance Indicators (e.g., collection route revenue, meter and pay station revenue, frequency of collections, collection area coverage, skipped meters)
LAN	A local area network (LAN) is a computer network that interconnects computers in a limited area
Level Two Support Technician	Technicians and support analysts certified by technology providers to be a liaison between vendor and SFMTA
Maintenance App	An application developed for SFMTA meter shop. Maintenance application contains multiple modules including maintenance, data and coin collection, meter condition reporting
Medeco	Manufacturer of electromechanical locks
Medeco Nexgen End of Cable	Legacy Medeco system that allows establishing a relation between collection subroute and collection vault number. For example, collection subroute 101.3 is collected by using collection vault number 122
Meter Condition Report (MCR)	A visual inspection of parking meter hardware. Observed meter condition is reported via maintenance application.
MMS	Meter Management Software
MS SQL	Microsoft SQL Relational Database
MST	Money Systems Technology Inc., manufacturer of the coin sorter
Multi-Space Meters Collection Crew	One driver and one parking meter collector

Nexgen Key	Medeco Electronic Key
Nexgen Lock	Not Integrated Medeco Electromechanical Lock
NFC Sensor	Near Field Communication Sensor
Non-Productive Time	The driving time between routes and walking time on blocks that have few or no meters
OBIEE	Oracle Business Intelligence Enterprise Edition Plus, also termed as the OBI EE Plus, is Oracle Corporation's set of business intelligence tools consisting of former Siebel Systems business intelligence and Hyperion Solutions business intelligence offerings
Pay Station	Multi-space parking meter

Term or Abbreviation	Description
PMD	Parking Meter District (e.g., Civic Center, Hayes Valley, SOMA, Fisherman Wharf, Fillmore, Outer Sunset)
Port Parking System	Parking Meters and Pay Stations that the SFMTA manages on behalf of the Port of San Francisco
Power BI	Power BI is a business analytics service by Microsoft. It is part of the Microsoft Power Platform
SFMTA	San Francisco Municipal Transportation Agency
SFTP	Secured File Transfer Protocol (encrypted data transfer)
SFMTA Data Warehouse	SFMTA Data Warehouse (DW) is a database used for reporting and analysis of parking related data. The data stored in the warehouse is uploaded from the IPS, Mackay, Pay-by-Phone, Conduent and other parking operational systems used by SFMTA.
SFMTA Meter Repair Shop	SFMTA meter maintenance headquarters, located at 1508 Bancroft St, San Francisco
SFMTA Server Room	SFMTA's primary information systems site
Single-Space Meters Collection Crew	One driver and two parking meter collectors
SOP	Standard Operating Procedure
SOW	The Statement of Work contained in this Appendix H describing the Services Contractor shall perform.

SQL	Structured Query Language
WAN	A wide area network (WAN) is a telecommunication network that covers a broad area
XML	Extensible Markup Language (XML) is a set of rules for encoding documents in machine-readable form

1. Administration
- A. Administrative Staffing

- 2) Contractor shall provide the following (full time) administrative staffing:
 - a. Contract Manager who works full time for SFMTA and does not work for other clients. Contract Manager is responsible for to managing coin and data collection and other Services covered by this SOW.
 - b. Coin and Data Collections Manager who works full time for SFMTA and does not work for other clients. Coin and Data Collections Manager is responsible for managing coin and data collection and other Services covered by this SOW.
 - c. Office Manager who works full time for SFMTA and does not work for other clients. Office Manager is responsible for managing coin and data collection office, performs various administrative duties, and supports Contractors' employees performing Services covered under the Agreement resulted from this SOW.
 - d. Analyst who works full time for SFMTA and does not work for other clients. Analyst is responsible for various analytical tasks in connection with Services and tasks performed under the Agreement resulted from this SOW.
 - e. Senior Executive (e.g., Regional Manager) who dedicates at least 10% of their time working for SFMTA providing corporate support for Coin and Data Collection line workers, supervisors, office staff and management.
- 3) The Contract Manager shall have the overall responsibility for delivering all the Services to the City.
- 4) The Coin and Data Collections Manager shall have general oversight of all Contractor's employees working on parking meter and data collections shifts. The Collections and Data Manager shall ensure that all crews complete their daily assignments following established collection schedule. The Coin and Data Collections Manager shall monitor all the daily activities and track such problems as broken meters, faulty keys, locks, and/or any other collection equipment problems that might arise
- 5) The Office Manager shall support the delivery of all Services by organizing office operations and procedures, preparing payroll, controlling

correspondence, designing filing systems, reviewing, and approving supply requisitions, assigning, and monitoring clerical functions and prepare SFMTA and PORT invoices and supporting documents.

- 6) The Analyst shall provide an analysis of meter transaction variances, conduct daily

coin reconciliation, analyze collection schedule effectiveness, and perform monitoring of various collection KPIs. Analyst position shall be responsible for providing monthly revenue and reconciliation reporting utilizing BI tool (e.g., Power BI, OBIEE) and other analytical duties as assigned.

- 7) The Senior Executive shall provide and executive oversight and support of Contractor's Services performance; ensure that the Contract Manager and staff have all the resources needed to deliver the Services to SFMTA, and provides overall guidance, training, and support for management staff. The Senior Executive shall participate in monthly meetings with SFMTA to address Services delivery quality, timeliness, and Contract requirements.

B. Coin and Data Collection, Coin Delivery and Support Services

- 1) Contractor shall provide coin, data collection and support services the SFMTA's parking meter program as described in this Appendix A (SOW) Sections 2, 3, 4 and 5. Coin collection shall include both single and multi-space meters. Data collection shall include but not be limited to meter condition, occupancy, inventory, parklets, construction sites, signage, and curb regulations. Coin delivery services shall include delivering collected meter coins to SFMTA counting facility located in the basement of 1 South Van Ness building. Support services shall include providing IT support for relevant to coin and data collection parking systems, revenue reconciliation, meter transaction variance analysis, electronic lock software, Nexgen collection key management, and parking ambassadorship.
- 2) Contractor shall ensure that all collection routes are covered according to the collection schedule approved by the SFMTA. Crew leaders shall transport their collection crew, collection equipment, collected coins and data safely to and from their designated routes and sub-routes each collection day. Crew leaders shall be responsible for securing all collections equipment and vehicles. Crew leaders shall also document the equipment used during the collection day. Field supervisors shall ensure that all collection crews are aware and knowledgeable of the routes assigned for collection and that each collector collects the route in sequence and completely.
- 3) Contractor shall provide support (via mobile phone and in person) to collection crews in the field to address any problems that arise in performing

the Services in the field. The On-Street Supervisor shall monitor all Crew Leaders and collectors to ensure that they are following approved policies and procedures.

C. Facility

- 1) Contractor shall provide a coin and data collections facility (Collections Facility) that has 24-hour security and is available to accept and process collection vaults during any scheduled collection day. Security should at a minimum include the following: video surveillance (inside and outside of the facility), burglary alarm, and secure programmable building access. SFMTA shall have the access to the live feed and 3 months' worth of recording history.
- 2) The Collections Facility shall be located at 2200 Jerrold Ave, Unit M, San Francisco, CA 94124 and be available for access to SFMTA's employees.
- 3) The Collections Facility shall have, at a minimum, a land line telephone, document scanner and printer, e-fax machine, computer network with high-speed internet access (both LAN and Wi-Fi).
- 4) The Collections Facility shall meet all applicable OSHA rules/standards and have restrooms, locker rooms and a designated break area that is segregated from secured areas of the facility. The SFMTA reserves the right to inspect Contractor's facilities used in the performance of the Services, to confirm that such facilities are sufficient for the purposes described in the Agreement.
- 5) The SFMTA reserves the right to direct Contractor to perform the Services in SFMTA-owned or leased property at any time during the Agreement. Should this occur, SFMTA and Contractor will negotiate a schedule and costs for the move and reduction of Contract Amount for the lease of the unused facilities.
- 6) All visitors entering the Collections Facility. Lists of visitors should be kept, stored and accessible in an electronic format for the term of the Agreement.
- 7) SFMTA shall have the option to request Contractor to store coin revenue at Contractor's facility in case of emergency and to hire on-call security guard for the duration of the emergency coin storage.

D. Hours of Operations

- 1) Contractor shall provide adequate administrative and support staff in its coin and data collection facility to support various coin and data collection

Services.

- a. Coin collections hours: 5:30AM to 2PM, M-F.
- b. Coin delivery to SFMTA hours: 10:30AM to 11:00AM and 2PM to 2:30PM,

Monday through Friday.

- c. Data collections shifts shall be scheduled between the hours of 7AM to 11PM Monday through Friday, with occasional work on Saturdays and Sundays. SFMTA shall submit ad-hoc requests for at least three business days' prior to requested start date.
- d. Administrative coverage: 8AM to 5PM, Monday through Friday.

Contractor shall perform meter collections daily, Monday through Friday with exceptions of SFMTA's observed holidays. However, the SFMTA reserves the right to require the Contractor to collect coin, data or perform other related tasks on SFMTA- observed meter holidays and weekends. SFMTA shall submit ad-hoc coin collection requests at least three business days' prior to requested start date.

E. Telecommunication Equipment

- 1) Contractor shall provide smart phone devices for each coin and data collection employee while on duty. The employee must securely attach the communication device to their work belt. All communication devices shall be equipped with a GPS tracking system and be accessible from the Contractor's and SFMTA offices. Contractor and designated SFMTA personnel shall track all coin and data collection employees in real time while they are performing collection activities.
- 2) All collection crews shall be always equipped with cellular phones and accessible by direct communication. Contractor collection employees are strictly prohibited from using any personal communication devices (e.g., cell phones) while performing collection duties unless prior authorization has been given by the Contractor and SFMTA.
- 3) Each two years of the Agreement (starting 60 Days from NTP), Contractor shall supply Meter Shop employees (managers, supervisors, parking meter repairers) with 35 web-enabled smart phones, at no charge to SFMTA. Phone plans shall include unlimited domestic data, talk and text functions. Each phone shall be equipped with a hands-free device, NFC sensor, durable holster.

F. Uniforms

- 1) Contractor shall provide uniforms for all its employees providing the Services.

Uniforms may be purchased or rented through professional Services. Each employee shall be provided with at least five sets of uniform per year. Coin handling and delivery staff uniforms shall have no pockets.

- 2) Uniforms shall include pants, shirts, jackets, hats, beanie, black boots (two pairs per

calendar year, with the option to replace a defective pair), rain gear (one set per calendar year), and safety class 2 vest (one item with the option to replace a defective item).

- 3) The Uniforms shall be of a standard guard style. All collections personnel must wear their uniforms while on duty. Uniforms are to have the Contractor's corporate name on the front of the shirts, on hats, and on the back of safety vests provided. Collectors must wear safety vests outside of their uniforms or jacket.
- 4) Contractor shall provide each collector with a photo identification badge with the employee's name and the Contractor's name that shall be worn while on duty. The I.D. badge shall not be stored in a pant or jacket pocket; but shall be visibly displayed.
- 5) Contractor shall provide all collectors with equipment necessary to physically secure collection keys, collection cards and other relevant equipment to their person.
- 6) Uniforms and equipment provided by the Contractor are subject to approval by the SFMTA.
- 7) SFMTA may make random unannounced inspections of coin and data collections and coin delivery personnel; and may request employees to empty their pockets. Contractor shall inform all employees of this requirement.

G. Prevailing Wage Ordinance

San Francisco Administrative Code (uncodified) Section 21C.7 (attached here as Attachment 2) requires Contractor to Contractor pay prevailing wages to certain classes of employees who perform coin collection services. That Ordinance also requires Contractor to retain persons employed in those classes by the prior coin collections contractor and provide transitional employment for terminated employees. Contractor. The requirement to pay prevailing wages includes wage rates for overtime and holiday work and fringe benefits as paid for similar work performed in the City.

Refer to "Prevailing Wage Ordinance, File Number 160593", Attachment 2 to this RFP.

H. Reporting

- 1) Contractor shall provide the reports described in this SOW, Section 1.H.3 using Microsoft Office, Power BI, OBIEE, or a BI tool of Contractor's choice. Current samples of these reports are provided in Attachments 3 to 7 to this SOW.

- 2) Contractor shall submit all meter collection revenue reports in Excel format unless

SFMTA approves a request from a Contractor to submit in alternate format.

3) Contractor shall provide to the SFMTA following reports.

a) Daily Meter Condition Report (Attachment 3)

Contractor shall provide real-time tracking via Maintenance App for all disabled, broken, or missing meters or pay stations encountered while performing collection duties. *If Contractor discovers a vandalized or broken parking meter hardware, it shall immediately report the issue to the Meter Shop.*

Meter Condition Report produced based on Maintenance App data shall, at a minimum, contain the following common meter faults:

- a. Out of order
- b. Key slot jammed
- c. Low battery
- d. Vandalized meter
- e. Broken coin canister
- f. Loose pole
- g. Bent pole
- h. Pole / No meter
- i. No pole / No meter
- j. Vault Lock Won't Open (Green light)
- k. Electronic lock is not properly assigned
- l. No communication
- m. Spinner 180
- n. Spinner 360
- o. Construction zone
- p. No reset
- q. Blank Screen
- r. Bad Collection Card
- s. Collection Lock Won't Open – Red Light
- t. Signage

b) Missing or Damaged Equipment Report (email statement, no set format)

Contractor shall report to SFMTA all missing or damaged equipment before 5 PM on the day Contractor discovers it. Each report shall include the location, equipment ID number, type of equipment, the date and time the equipment was discovered to be damaged, a description

of the damaged or lost equipment, and a short description of how the equipment became damaged or went missing.

c) *Daily Session Variance Report Analysis (Attachment 4)*

Contractor shall provide a "Session Variance Analysis" analysis following the format set out in Attachment 4 to Appendix H (SOW), that compares real-time revenue transactions with database rates and calculates the variance between applied rates and scheduled rates. Contractor's staff shall review the report and produce a daily analysis in summary format for SFMTA staff to review. See Attachment 4 to this Appendix H (SOW).

Provided analysis shall determine what caused daily transaction variance between published meter rates and actual rates charged by meter hardware or pay-by-phone application at the time of the transaction.

d) *Weekly Revenue Variance Report (Attachment 5)*

Contractor shall produce a "Weekly Revenue Variance Report" that compares a total sum of real-time revenue transactions received in SFMTA database with meter vendors' database totals. See Attachment 5 to this Appendix H (SOW). Provided analysis shall determine what caused a variance between total weekly revenue reported by meter or pay-by-phone vendors and SFMTA database total.

e) *Weekly Skipped Meters Report (Attachment 6)*

Contractor shall analyze daily electronic lock collection reports and determine which meters were not collected as part of the daily collection assignments. Meters that are not collected shall be referenced against meter condition report (Section 1.H.3.a to this SOW). All instances where meter was not collected without recorded reason shall be investigated and explained in the report. A weekly "skipped meters report" shall be submitted to SFMTA along with appropriate explanations and a plan of corrective actions on Monday of every work week.

f) *Monthly Revenue Reports (Attachment 7)*

Contractor shall submit the following monthly revenue reports in both hard copy and electronic formats:

- a. Coin revenue by meter analysis – this report lists average meter coin revenue based on collection route. The report also must contain the collection route inventory number, collection days, collection frequency

- and route geographical location.
- b. Average revenue by type (with high and low points)
 - c. Fiscal Year Revenue by Month by Type
 - d. Multi-space revenue by type
 - e. Single-space revenue by type
 - f. Fiscal year revenue total

g. Active meter inventory counts for the collection area(s) covered by the report (e.g., Collection Subroute 101.1 – 75 active meter spaces)

- 4) The SFMTA reserves the right to add or modify report requirements.
- 5) SFMTA requires Contractor to conduct regular monthly meetings to evaluate report deliverables. Contractor's Contract Manager, Coin and Data Collection Manager and Analyst shall attend these meetings. Additional meetings may be scheduled as SFMTA may require

I. Training

- 1) Contractor shall provide training specific to the tasks performed by assigned personnel for both line staff and supervisors throughout the term of the Agreement. Training shall cover the task and personnel requirements described in this SOW as well as the Contractor's own procedures.
- 2) Each staff person shall sign a certificate that attests to their participation in training in their designated function area. This document shall be kept by the Contractor and made available by request to the SFMTA.
- 3) Contractor shall provide all safety training required under federal, state and local law, which shall be conducted, as required, at Contractor's expense.
- 4) Contractor shall offer "Smith System" driving training <https://www.drivedifferent.com/> or its equivalent for all drivers on annual basis at no additional cost to SFMTA. Driver certifications shall be kept by the Contractor and made available by request to the SFMTA. Attaining "Smith System" driving certification is a prerequisite of becoming a driver.
- 5) SFMTA may direct Contract to provide additional training as necessary to ensure Contractor's staff are fully trained and informed of Services requirements.

2. Coin Collection Services

A. Staffing Requirements

- 1) For each work shift, Contractor shall provide the following coin collection staffing for each single space or multi space collection crew:

- a. Single-space coin collector and/or Multi-space coin collector (depending on assignment)
- b. Crew leader

c. Collection Supervisor (may be assigned to multiple crews)

- 2) The Single-Space collections crews shall consist of crew leader and two collectors. All crew members perform meter collections. The number of collections by each crew member will be based on collections frequencies, route and sub-route structure, and the geography of City streets.
- 3) The Multi-space collections crews shall consist of a crew leader and one collector. Both crew members shall be present at each pay station while performing multi- space meter collections. The number of collections by each crew member will be based on collections frequencies, route and sub-route structure, and the geography of City streets.
- 4) Contractor shall ensure that all routes are collected according to the collection schedule provided by the SFMTA. Crew leaders shall transport their collection crew, collection equipment, collected coins and data safely to and from their designated routes and sub-routes each collection day. Crew leaders shall be responsible for securing all collections equipment and vehicles. Crew leaders shall also document the equipment used during the collection day.
- 5) Contractor shall provide at least three supervisors. Field supervisors shall ensure that all collection crews are aware and knowledgeable of the routes assigned for collection and that each collector collects the route in sequence and completely.
- 6) Contractor shall provide mobile support to all the collection crews in the field in case they encounter mechanical, technical or any other problem that interferes with collection activities. Field supervisor shall monitor all crew leaders and collectors to ensure that they are following approved policies and procedures.
- 7) The Coin and Data Manager shall be responsible for oversight of all the Contractor's employees that are engaged in the Services.
- 8) The Coin and Data Collections Manager shall ensure that all crews complete their daily assignments following the Contractor's Standard Operating Procedures.
- 9) Contractor shall monitor all daily activities and track such problems as broken meters, faulty keys, locks, and/or any other equipment problems.

- 10) Collection staff shall have no more than \$1 in change while performing field collection duties. Contractor shall inform their employees of this requirement.

B. Routes and Schedules

- 1) The SFMTA and Contractor will review the list of collection routes/sub-routes and collection schedule and frequency on monthly basis.
- 2) The SFMTA reserves the right to change the routes, route schedule and collection frequency as may be required to respond to meter installations and removals, rate changes, meter pilot programs, security concerns, or when additional or fewer collections are required.
- 3) Contractor shall develop and submit its proposed parking meter collection plan that includes plans for future upgrades of SFMTA parking meters, pay stations and other on-street equipment where at least half of current parking spaces will be managed by multi-space pay stations. Contractor shall submit the plan to SFMTA for review within 30 Days from NTP. Contractor shall incorporate the following parameters into its proposed collection plan:
 - i. Collection work shall be set at a frequency such that the coin canister inside single space meter will not be heavier than an average of 1.5 pounds (approximately \$20 in coin).
 - ii. Contractor shall collect the cash from a Paystation when cashbox amounts reach between \$75 and \$100 dollars.
 - iii. Collection work shall be designed so that the number of collection crew shifts required to collect the assigned meters is distributed as evenly as possible across all five working days of the week.
 - iv. The collection plan shall address how the different parking meter rates and payment methods affect the frequency of collection.
 - v. The collection plan shall minimize the amount of Non-Productive Time.
 - vi. Contractor may elect to combine single- and multi-space collection routes for enhanced revenue tracking.
 - vii. Contractor shall perform meter collections every business day, Monday through Friday.
 - viii. The proposed collection plan shall assume that parking spaces are split 50/50 between single and multi-space meter hardware (i.e., ~ 2,500 pay stations and 12,000 single space meters).
 - ix. The proposed collection plan shall include multiple schedule options in accordance with these variables:
 - a. All Single space meters are collected at least once per week
 - b. All single space meters are collected at least once every two weeks

- c. All pay stations are collected every three weeks
- d. All pay stations are collected every four weeks
- e. Pay stations are collected on demand when cashbox totals reach

- between \$75 and \$100 in coins
- f. Single space MCR is performed on weekly schedule
- g. Multi-space MCR is performed on weekly schedule

C. Equipment

- 1) Contractor shall be responsible for cleaning, storing, and inventorying the following collection equipment.
 - a) Electronic collection keys (Nexgen), including "end-of-cable" vault locks.
 - b) Nexgen scheduling hardware and software
 - c) Collection vaults and collection vault heads with locks
 - d) Collection carts
 - e) "Out of service" bags, locks, and keys
 - f) High security Medeco locks (used for collection vaults, carts, and vehicles)
 - g) Spare cashboxes
- 2) Contractor shall provide key chains, belt loops and other collection-related equipment as necessary.
- 3) During the term of the Agreement, Contractor shall provide proper security seals at its own expense. Security seals need to be barcoded and logged.
- 4) Contractor shall maintain a complete and orderly inventory list of all the equipment utilized for coin collection Services (both its own and provided by the SFMTA).
- 5) Contractor shall conduct at least quarterly inspections of all the collection carts, canisters, and related parts, inside and outside, for broken welds, cracks, dents, and other problems that may endanger the integrity of the canister, canister vault head, and collection cart.
- 6) Contractor shall conduct at least quarterly inspections of coin canister receptacle (receiver) on the lid of the collection canister. In addition, Contractor shall inspect the rubber boot on the bottom of the inside of the coin canister receptacle. Contractor shall immediately report any broken Equipment to SFMTA via email.

- 7) Contractor shall conduct daily inspections of coin canisters and cashboxes to ensure that the vault doors are working properly, close and lock correctly, and are not otherwise compromised. At the end of every Business Day, the Contractor shall record the number of the seals used on every collection vault and input the seal numbers in the asset management system. If Contractor discovers that a seal is

missing, it must notify the SFMTA's representative immediately and conduct a proper investigation of the incident. Contract Manager shall submit the report to SFMTA within five Business Days of the incident.

- 8) Contractor shall provide the following collection keys controls:
 - a. Contractor shall store and program collection keys only in secured area of the collection facility.
 - b. Maintain electronic collection keys (e.g., cleaning, replacing contact pins, lubricating, RMA service and battery replacement) and related collection equipment in possession of its staff for the duration of the contract term. The Contractor shall not duplicate any keys.
 - c. Report any key or lock failures or losses to SFMTA staff immediately.
 - d. Store key hardware in secured, locked room.
 - e. In case of missing collection key equipment, Contractor shall conduct a full investigation and provide the SFMTA with a written report within five business days of the incident.
 - f. Report lost or broken collection equipment to the SFMTA on the same Day of the incident.

- 9) Electronic meter locks
SFMTA's current parking meter technology utilizes electronic locks. SFMTA will provide Contractor with the appropriate system accesses and equipment to conduct meter collections. At the beginning of every collection day collectors will be issued a Nexgen collection key. Contractor shall schedule collection work utilizing Medeco Nexgen software for all collection shifts separately. For example, should three collections shifts be scheduled for any given day, three separate scheduling tasks shall be performed. SFMTA reserves the right to take over scheduling duties

- a. Contractor's collection employees shall sign for collection keys before each day's collection and return them after completing their regular collection activities. Once the handheld devices are issued, the Contractor shall store them in a secure lockbox fastened to the inside of the collection's vehicle.
- b. Contractor shall be responsible for security of the electronic collection keys while collecting parking meters. When not in use, the keys shall be stored in locked storage area in Contractor's vehicle or offices.
- c. Contractor shall provide 24-hour video surveillance of key storage at the Coin and Data Collection facility.

10) Vehicles

Contractor shall provide at least ten vehicles (three box trucks, five cargo/compact van type vehicles and two sedans: supervisor and LPR data

collection) to perform the Services, (which includes a replacement box van or similar vehicle in case an assigned vehicle breaks down). Contractor will be responsible for ensuring that its vehicles remain in good working condition and that they have procedures in place to procure or lease additional vehicles, if necessary, to complete daily collection Services. All collection vehicles shall have standard safety equipment, including but not limited to spare tires, flares, and cones.

SFMTA reserves the right to inspect a collection vehicle with or without prior notice during normal operations hours. Vehicles used in the performance of the Agreement must be approved by the SFMTA prior to use.

- 11) Contractor shall include, at a minimum, the following features for both single- space and multi-space collection vehicles:
 - a. Vehicle security system to ensure that collection trucks can be recovered if stolen.
 - b. An interior panel or cage on walls and bulkhead separating the driver compartment from the vault storage area.
 - c. Identification on the exterior of the vehicle, with message content and dimensions approved by the SFMTA.
 - d. All doors shall lock automatically when closed and are to be equipped with an alarm system and an anti-theft device that disengages the ignition system.
 - e. The rear and side doors shall be equipped with Medeco Padlock 54-7100 series and the Master Lock 15KA or functional equivalent. Any other locks utilized by Contractor must be approved by the SFMTA prior to use.
 - f. Only equipment authorized by the SFMTA for the collection of parking meters and required safety equipment may be carried in the cab or the back of the vehicle(s) at any time.
 - g. The vehicle(s) used to transport the Collectors shall contain no tools, except for a jack and wrench to change the vehicles' tires.
 - h. All items and materials the SFMTA issues to Contractor that are necessary to complete the collection of that day's schedule, such as route/key lists, shall be kept in a secure box. This box shall be securely fastened (e.g., bolted) to the vehicle. Access to this box shall be supervised by crew leader and/or collection supervisor.
 - i. Vehicles shall be outfitted with a GPS tracking system. Both the

Contractor and SFMTA shall monitor vehicle movements, route history, current and average speeds.

- j. The anti-theft alarm shall be activated any time the vehicle is unoccupied.

- k. Contractor shall outfit the vehicles with motion-activated wireless surveillance cameras in the collection vehicle boxes inside the rear of the vehicle.
 - l. Contractor shall equip the vehicles with a digital video recorder device that operates on a continuous loop for at least three days, and that can be used for audit, training or review of a specific incident that requires further study by Contractor or the SFMTA. Video recorder equipment shall be installed on the dashboard and in the storage areas of the vehicles.
- 12) In the addition to the vehicle equipment described in Section 2.C.11 of this SOW, Contractor shall provide a single-space meters collection vehicle with the following specific features:
- a. An ability to transport at least three people.
 - b. A lift gate to load and off load collection canisters.
 - c. An ability to transfer at least 20 collection vaults, three collection carts and other relevant collection equipment.
 - d. Height not exceeding 9 feet and 4 inches.
 - e. Cargo hold shall have a method to anchor canisters to the inside of vehicles to prevent damage.
 - f. Gross Vehicle Weight (GVW) capacity to handle a minimum payload of 3,000 lbs.
 - g. Area to store collection vaults, carts and filled canisters, shall only be accessible through the rear door.
- 13) In the addition to the vehicle equipment described in Section 2.C.11 of this SOW, Contractor shall provide a multi-space meters collection vehicle with the following specific features:
- a. Vehicles used to collect multi-space pay stations shall be designed to facilitate this collection activity and shall have a secured storage area for pay station cashboxes.
 - b. Storage capacity shall accommodate at least 50 pay station vaults.
 - c. An ability to store pay station cashboxes in compartments accessible through rear and sides of the vehicle.
 - d. Height not exceeding 9 feet and 4 inches.

D. Reporting

Contractor shall issue two following reports to SFMTA each Business day via email. The Reports shall be issued no later than next Business Days after an actual collection has

occurred.

- 1) Daily Revenue Collection Report (Attachment 9)
This report is generated to show daily revenue amounts (by meter type), collection crews' statistics and collection routes covered.
- 2) Daily Collection Assignments Completed by Crew Leaders
All the Crew Leaders' daily assignments shall be combined and scanned as one document. This document shall be saved in PDF format

Contractor shall modify existing or add new collection reports as directed by SFMTA. Contractor shall submit said reports daily using the format specified in Attachments 3 to 7.

3. Coin Delivery Services

Contractor shall provide coin delivery Services to SFMTA's designated facility. Contractor shall coordinate delivery of collection canisters and cashboxes to SFMTA coin room where the coin will be counted and prepped into coin bags for armored carrier pickup and delivery to the SFMTA's banking institution for deposit. Once the coin is counted, Contractor's personnel shall retrieve and return the empty canisters and cashboxes to the coin and data collection facility. Currently, coins are delivered to SFMTA twice per day. SFMTA may amend current coin delivery procedures during the Agreement term, which Contractor shall immediately implement. The SFMTA may require a Contractor to store second shift coin canisters and cashboxes in the Collection Facility's for a next day delivery. Contractor shall provide a security guard whenever overnight coin storage is necessary.

A. Staffing Requirements

- 1) SFMTA shall determine the number of coin room operators based on coin volumes. Coin room operators are responsible for the receipt, delivery and care of coin canisters and cashboxes.
- 2) Coin room operators shall perform the following duties
 - Operate coin room equipment in accordance with all applicable OSHA regulations and safety protocols.
 - Provide weekly inspections of all collection carts and coin canisters and report any maintenance issues to the Meter Shop Manager.
 - Contractor shall lubricate moving parts of the collection canister and cart as

part of weekly inspection procedures.

- Conduct monthly coin room asset verifications (e.g., cashboxes, coin canisters, carts, seals).
- Under no circumstances shall the Contractor remove, replace, copy, or

manipulate a collection canister key or associated hardware parts. Any broken keys and key parts must be submitted to SFMTA Meter Shop the same Day of the incident.

- 3) Contractor shall provide a delivery crew who will drive the vehicle back and forth from coin and data collection facility to the SFMTA coin room. Coin delivery service shall ensure a dual custody procedure whereby a secondary staff member accompanies the driver and assists in transferring the canisters to SFMTA staff. Current process consists of a delivery of single-space coin canisters twice a day (at the end of the first and second shifts; multi-space cashboxes shall be delivered at the end of the shift they are collected). SFMTA reserves the right to adjust and change coin delivery schedule.

B. Schedules

- 1) Contractor shall provide coin delivery Services Monday through Friday during the following hours: 10:30AM to 11:00AM and 2PM to 2:30PM. SFMTA may modify coin delivery schedules.
- 2) SFMTA reserves the right to adjust coin delivery schedules with 24 hours notification.
- 3) Contractor shall supervise coin deliveries to SFMTA and ensure staff safety at all times by implementing appropriate security procedures and protocols, including but not limited real time vehicle tracking.
- 4) Contractor shall immediately notify SFMTA coin room staff in case of delivery delays, interruptions or other issues impacting agreed upon schedules.

C. Equipment

- 1) Contractor shall provide inventory software and five scanners to maintain asset inventory of coin canisters, cashboxes, collection carts, security seals, coin canister's pad locks and inventory handhelds.
- 2) Contractor shall provide digital floor scales capable of weighting up to 1,000 lbs. The scales shall produce a weight receipt that can be printed as a sticker.
- 3) Contractor shall provide portable digital scales (e.g., to weight coin canisters

and cashboxes) capable of weighting up to 300 lbs. If requested by SFMTA, Contractor shall provide a weight receipt that can be printed as a sticker.

- 4) Weight receipts shall show the crew and vault number entries.

- 5) Contractor shall provide a computer terminal and laser printer to print the weight receipts. The terminal shall be provided within 30 Days of SFMTA's request.

D. Reporting

Contractor shall follow the direction of SFMTA coin room and Meter Shop supervisors and staff to ensure safety and security in coin delivery process, accurate asset handoffs and verifications, and clear and respectful communication. Additionally, management team shall communicate daily with SFMTA IT Helpdesk at ITSupport@sfmta.com to ensure a consistent data flow to the SFMTA parking data warehouse for a coin reconciliation purposes. Contractor shall specify "SFpark issue" as part of the email ticket subject line.

- 1) Contractor shall scan each coin canister/cashbox barcodes in/out, inspect canister and seals, place crew tag on each vault.
- 2) For any used coin canister/cashbox Contractor shall record a gross weight.
- 3) Contractor shall verify all coin canister/cashbox changing hands, both parties sign off on canisters received or returned by SFMTA.
- 4) Contractor shall place, record, and replace worn crew tags, inspect canisters, place, and scan new bottom seal on each canister, record empty canister weights and scan canisters into the inventory system.
- 5) Contractor shall transfer only sealed junk and foreign coin bags from the SFMTA coin room. Contractor shall not remove unsealed coin bags from the SFMTA coin room.
- 6) Contractor shall deliver sealed junk and foreign coin to the SFMTA Meter Shop in accordance with the agreed schedule.
- 7) Contractor shall pickup collection vaults used for meter maintenance from Meter Shop and deliver to SFMTA coin room each Friday.
- 8) Contractor shall prepare daily yellow (canister vault door) and white (coin receptacle cap) inventory security seals issuance form in

electronic format.

- 9) Contractor shall assign applicable multi-space cashboxes to pay stations in the inventory system.
- 10) Contractor shall check in/out multi-space cashboxes used in each day collection

process.

- 11) Contractor shall maintain and replace, if necessary, coin canisters bar codes and numbers.
- 12) Contractor shall inspect and report coin canister numbers to SFMTA Meter Shop where number or seal is broken or defaced.

4. Data Collection Services

Data collection shall include but not be limited to meter condition, general vehicle occupancy, inventory, parklets, construction sites, meter overhead and meter pole signage, curb paint conditions and regulations. Contractor shall perform data collection tasks on schedule provided in writing by SFMTA. Some data collection tasks will be project based and require adding part time staff. Some tasks will be conducted on regular basis and some on request. SFMTA may request Contractor to have the same crew performing multiple data collection tasks (i.e., meter condition report and inventory or inventory and occupancy).

A. Meter Condition Report

- 1) Contractor shall collect meter condition data (report details are listed in Section 1.A.3.a of this SOW) while collecting single and multi-space meter hardware or under separate assignment.
- 2) Per SFMTA direction, Contractor shall provide meter condition data collections for spaces excluded from coin collection during any given week. Staffing requirements for meter conditions data collections outside of regular collection schedule shall be approved by SFMTA prior to each week collection.
- 3) Contractor shall record collected meter condition data by using Maintenance Application or another tool approved by SFMTA.
- 4) Contractor shall submit general Meter Condition Report to SFMTA no later than 12noon the following Business Day. Alerts attributed to vandalism and public hazards shall be reported in real time either via phone/radio or Maintenance Application.
- 5) Contractor shall immediately notify SFMTA staff should any kind of public hazard be discovered during collection Services. An example of public hazard can be a

meter pole or meter housing blocking a sidewalk or lying on the ground.

B. Occupancy

- 1) Per SFMTA's direction, Contractor shall conduct manual and automatic occupancy surveys. Manual surveys shall be conducted by foot with recording the data by SFMTA approved tool or application. Automatic occupancy surveys shall be provided by utilizing an LPR equipped vehicle.
- 2) SFMTA will provide LPR hardware, installation, and maintenance service. Contractor shall establish automatic occupancy survey crew (staff and vehicle) 120 Days from NTP.
- 3) For automatic occupancy survey work, Contractor shall provide a vehicle with seating for at least four staff. The vehicle shall utilize hybrid or fully electric engine.
- 4) Contractor shall manage daily workload and deploy occupancy survey crews in accordance with instructions from SFMTA staff.
- 5) Contractor shall manage occupancy crews daily and weekly schedules in accordance with general direction of survey areas provided by SFMTA staff. Contractor shall supervise and adequately staff scheduled occupancy crews.
- 6) SFMTA may direct Contractor to collect occupancy data during any day of the week.
- 7) Contractor shall provide a data feed to SFMTA data warehouse based on parking occupancy recorded by Genetec LPR Output report (Attachment 11). Data feed requirements and format are presented in Attachment 8 to this SOW. SFMTA will provide a reference table between "block_face_id" and city's street and block. Should SFMTA require other non-metered data collection, SFMTA and Contractor will discuss and agree on format and scope.
- 8) Contractor shall provide (at a minimum) the following occupancy dashboards, based on parking occupancy data represented in Attachment 8 with filters for street and block and PMD:
 - a. Daily occupancy (weekdays vs. weekends)
 - b. Weekly occupancy (weekdays vs. weekends)

c. Monthly occupancy (weekdays vs. weekends)

9) Contractor shall provide quarterly verifications/audits of LPR reads and GPS accuracy.

- 10) Contractor shall use GIS shape file polygons of metered blocks provided by SFMTA. Contractor shall modify provided polygons to account for GPS accuracy spread (i.e., to accommodate for readings outside of regular block face. For example, sidewalks, buildings, intersections). Contractor shall make such modified shape file geographies available for SFMTA import. Should SFMTA require creation of other non-metered geographies and GIS shape files, SFMTA and Contractor will discuss and agree on format and scope.
- 11) Per SFMTA request, Contractor shall research and create custom GIS collection area shape file (polygon) map of various geographical attributes (i.e., collection route/Subroute, PMR route, street, and block, blockface).
- 12) Contractor shall calibrate LPR occupancy counts in accordance with either visual observations or camera recording.
- 13) Contractor shall research and create custom GIS collection area shapefiles include collection routes/subroutes, PMR route, street and blocks, and block faces) when requested by the SFMTA. The SFMTA shall compensate contractor for those Services from the Data Management Fee budget, which includes up to 12 hours/month of support for additional requests. Support hours will accumulate with up to 48 unused hours rolling over annually.

C. Inventory (Parking Spaces, Parklets)

- 1) Per SFMTA's direction, Contractor shall conduct parking spaces and parklets surveys. Inventory and parklets data collections are project based and shall be conducted by utilizing regular collection and/or supervisory vehicles.
- 2) Contractor shall manage daily workload and deploy inventory survey crews in accordance with provided instructions/schedule from SFMTA staff.
- 3) Contractor shall staff and supervise scheduled crews.
- 4) Data collection shall be scheduled during weekdays. Collection times shall correspond to Contractor's business hours.

D. Overhead & meter signage, curb regulations

- 1) Per SFMTA's direction, Contractor shall conduct signage and curb regulations surveys.
- 2) Contractor shall manage assigned workload and deploy survey crews in accordance

with instructions from SFMTA staff.

- 3) Contractor shall staff and supervise scheduled crews.
- 4) Data collection shall be scheduled during weekdays. Collection times shall correspond to Contractor's business hours.

E. Other tasks data collection tasks

- 1) Per SFMTA's direction, Contractor shall conduct data collection tasks not defined in this SOW. Surveys can be conducted in person by walking assigned routes or using a collection or an LPR equipped vehicle.
- 2) Data collections are project based and shall be adequately managed and supervised by Contractor's staff.
- 3) Data collection can be scheduled during weekdays or weekends.
- 4) SFMTA will advise Contractor one calendar week prior to requested data collection duties.

5. Support Services

A. General Description

Contractor shall provide IT and parking consultant support services for coin and data collections, off-street and on-street parking operations and management, occupancy, signage, business intelligence tools and best practices research and studies. As part of the "Support Service Management Fee" (see Appendix C, Cost Schedule), Contractor shall provide up to 840 hours a year of database administration (DBA) and IT related support: 240 hours are to be provided at the beginning of each Fiscal Year and 50 hours every month thereafter. SFMTA will advise Contractor on which project to apply dedicated DBA hours. The SFMTA may transfer up to 300 unused hours from a previous contract year to the subsequent contract year. However, all hours shall expire at the end of the Agreement. Provided resources shall be approved by SFMTA staff.

B. Qualified DBA /IT Support

The DBA/IT support Services shall include, but not be limited to, the following:

- 1) Supporting SFMTA Maintenance Application.
- 2) Supporting SFMTA data warehouse (BI, database, middleware, front end).

- 3) Supporting SFMTA coin counting operations.
- 4) Performing re-organizations, as required, assisting in performance tuning, and ensuring maximum uptime of various SFMTA parking applications.
- 5) Enforcing and maintaining database constraints to ensure the integrity of the database.
- 6) Assisting SFMTA in administering database objects, including tables, clusters, indexes, views, sequences, packages, and procedures.
- 7) Assisting with impact analysis of all changes made to the database objects.
- 8) Managing sharing of resources amongst SFMTA applications.
- 9) Aiding in setting up appropriate BI reporting structure, dashboards, and analysis.

The DBA staff shall work closely with SFMTA IT Helpdesk.

C. Revenue Reconciliation (coin, smart card, credit card and pay-by-phone)

Contractor shall perform reconciliation services described in this section daily. If any variances greater than one percent (other standard the SFMTA directs), the variances shall be investigated, documented, and submitted to SFMTA within 72 hours after actual collection has occurred. SFMTA reserves the right to adjust threshold parameter that triggers variance investigation.

- 1) Contractor shall review variances between electronic and actual coin counts (by collection subroute for single -space and by pay station for multi-space) utilizing an appropriate report from OBIEE or equivalent system. All the variances between electronic records (for single-space and multi-space meters) and coin sorter machine counts more 1% shall be researched and documented via email to SFMTA staff.
- 2) The SFMTA reserves the right to modify current reconciliation processes and methods depending on changes in meter technology and/or coin sorting technology, the addition of other types of parking meters, or other modifications affecting parking meter hardware/software systems.
- 3) When collecting multi-space pay stations, Contractor shall remove audit receipt from the pay station printer receptacle. The printed receipt will contain coin audit data since the last collection. This receipt shall be attached to the

cashbox and submitted to the coin delivery staff at the end of the shift.

- 4) Contractor shall reconcile pay-by-phone, credit, and smart card total revenue between SFMTA data warehouse and all applicable vendor applications on a weekly

and monthly basis by Jurisdiction. Contractor shall submit the results of the reconciliation to the SFMTA (weekly report on the same date of the report, monthly reconciliation – during a second week of the following month).

D. Realtime Meter Transaction Variances

Contractor staff shall review an automated variance report based on real-time revenue feed in the form shown in Attachment 01 to this SOW. This report compares rates charged at the meter vs. rates published in SFMTA database. Contractor shall research and explain the reason for all variances that exceed 10 percent from accepted SFMTA variance in a daily report emailed to SFMTA Operation Manager and Meter Shop Manager. SFMTA reserves the right to adjust variance threshold and request all variances to be researched, explained, and documented.

E. Electronic Lock Software

- 1) Medeco currently provides software to support SFMTA electronic meter vault locks (both for single and multi-space meter hardware). Contractor shall support and manage Medeco lock software and setup. This includes but not limited to lock numbers, meter and pay station inventory, collection route and sub-route naming, designation and grouping of collection routes, user list and permissions, report setup and execution, skipped meters analysis.
- 2) Per SFMTA's direction, in accordance with approved collection plan, Contractor shall schedule collection work utilizing Medeco software for all collection shifts separately. For example, should three collections shifts be scheduled for any given day, three separate scheduling tasks shall be performed. SFMTA reserves the right to take over scheduling duties.
- 3) Contractor shall upload collected data after each collection shift, unless upload process changes are modified by SFMTA.
- 4) Contractor shall work on obtaining a "power user" or other advanced certifications from Medeco for staff utilizing electronic lock software. All obtained staff certifications shall be submitted to SFMTA no later than 180 days from NTP.
- 5) Contractor shall serve as liaison between authorized SFMTA staff and

Medeco support staff should there be any difficulties in using electronic lock software or system performance challenges and/or failures.

F. Nexgen Collection Keys

- 1) Medeco currently provides Nexgen collection keys to support SFMTA electronic meter vault locks (both for single and multi-space meter hardware).
- 2) Contractor shall procure (if requested by SFMTA) and maintain Nexgen collection keys assigned to Contractor's coin collection and SFMTA meter maintenance operations. Contractor shall use the collection keys provided to it under a separate agreement. Should the SFMTA require Contractor to procure new Nexgen collection keys, it will pass the cost to SFMTA via monthly invoice with markup not to exceed 4.99 percent.
- 3) Contractor shall conduct daily inspections of all Nexgen collection keys.
- 4) Contractor shall conduct weekly maintenance and contact pin replacements (if needed). An inspection and maintenance log shall be maintained and made available to SFMTA staff on monthly basis.
- 5) Contractor shall manage warranty and RMA arrangements for Nexgen collection keys.
- 6) Contractor shall ensure that proper IT infrastructure is established in its coin and data collection facility and SFMTA Meter Shop to charge and schedule Nexgen collection keys.
- 7) Contractor shall ensure that Nexgen collection keys are stored in a manner to minimize key housing or contact pin damage. Should the Nexgen key be lost or damaged, Contractor shall immediately report to SFMTA Meter Shop and replace damaged equipment as soon as replacement parts are available from the manufacturer. Contractor shall replace damaged keys.

G. Parking Ambassadors

- 1) Per SFMTA's direction, Contractor shall provide parking ambassadorship Services. This may include but not be limited to way finding, new meter technology overview, meter payment assistance.
- 2) Parking ambassadorship Services shall be conducted in person by walking

assigned routes or using a collection or an LPR equipped vehicle.

- 3) Parking ambassadorship Services are project based and shall be adequately managed and supervised by Contractor's staff.

- 4) Parking ambassadorship Services can be scheduled during weekdays or weekends.
- 5) SFMTA will submit a request to deploy parking ambassadors for at least three business days' prior to requested start date. SFMTA will include the scope of services to be covered by parking ambassadors in the request.
- 6) Parking ambassador Services may be scheduled anytime between 9am and 11pm.
- 7) Contractor shall invoice for Parking Ambassador Services using the fully burdened CBA rate schedules listed in Appendix C.

6. Qualified Parking Consultants

Contractor shall, upon SFMTA's request, provide parking related as-needed consultant Services. Scope and duration of the consultant services shall be related to the Services. The additional Services shall be described in a contract modification.

7. Procurement Services

A. Parking Meter Support Equipment

The SFMTA may procure the following equipment and general and professional services under Purchase Orders issued under this Agreement:

- (1) Coin vaults
- (2) Coin collection equipment
- (3) Vehicle equipment
- (4) Vehicle customization
- (5) Meter equipment
- (6) Other equipment necessary to collect coins and manage parking meters and perform other task necessary to achieve the purposes of this Agreement

The SFMTA will compensate the Contractor its direct costs of the items plus an administrative fee not to exceed 4.99% of the total cost of the purchase. Where applicable, the SFMTA shall reimburse the Contractor for sales taxes paid.

B. Meter Smart Card

On annual basis Contractor shall procure meter smart cards by engaging a smart card manufacturer specified by SFMTA. Smart cards must be delivered via secured delivery service (e.g., Brinks) to designated SFMTA's facility and insured for the value of the shipment. Contractor shall apply administrative fee of 4.99% to smart card procurement.

Appendix B

Cost Schedule Coin and Data Collection and Associated Support Services

Part 1 - Monthly Management Fees and non-CBA labor categories

Category	Qty	Monthly Cost	Monthly Total
Coin Collection Management Fee	1	\$81,507	\$81,507
Data Collection Management Fee	1	\$18,000	\$18,000
Support Services Management Fee	1	\$21,843	\$21,843
Program Manager	1	\$17,546	\$17,546
Coin and Data Collections Manager	1	\$12,981	\$12,981
Supervisor	3	\$10,384	\$31,152
Analyst	1	\$10,613	\$10,613
Office Manager	1	\$8,526	\$8,526
Total Monthly Cost:			\$202,168.00

Part 2 – Labor Charges (set by Collective Bargaining Agreement (CBA) between LAZ Parking California, LLC and Teamsters Local 665)

CBA 12/1/21 - 11/30/22	
Hourly Rate	Fully Burdened Billable Hourly Rate
\$ 20.00	\$ 44.03
\$ 26.75	\$ 61.16
\$ 30.76	\$ 69.63

CBA 12/1/22 - 11/30/23	
Hourly Rate	Fully Burdened Billable Hourly Rate
\$ 21.00	\$ 45.40
\$ 27.75	\$ 63.05
\$ 31.91	\$ 71.78

CBA 12/1/23 - 11/30/24	
Hourly Rate	Fully Burdened Billable Hourly Rate
\$ 22.00	\$ 46.80
\$ 28.75	\$ 65.00
\$ 33.06	\$ 74.00

Part 3 – Optional Data Collection Tasks

Task	Description	Cost
1	Additional Occupancy Collection Vehicle	\$3,000
	– Collection Crew Management	<i>per month</i>
	– Data Processing	
	– Quality Control	
	– GPS Evaluations	
2	– Route Updates	
	Additional SFMTA Enforcement Fleet Vehicles	\$6,210
	– Includes data processing and analysis for 45 fleet vehicles	<i>per month</i>
	– Does not include QC, enforcement evaluations, or GPS evaluations	
	– Unit price is \$138 per vehicle, per month	

Task	Description	Cost
3	LPR Validation/Calibrations	\$1,500
	– Coordination/Collection Plan	<i>Per vehicle</i>
	– Dash Cam Video Processing	
	– Quality Control	
	– Analysis/Calibrations	
4	New blocks (metered)	\$35
	– Setup is required for locations that have not been studied before.	<i>per block face</i>
	– Includes custom geofences, one-way street setup, collection route creation.	
	– Collection routes will be built to fit within time intervals, such as 200 block faces can be collected in a three-hour interval. Three hours is considered the time interval for metered block faces (9am-12pm, 12-3pm, 3-6pm, 6-9pm). Collection routes benefit from maximizing the number of block faces that can be collected in the time interval.	(Minimum of 30 block faces)
5	New blocks (non-metered) with Inventory Collection	\$80
	– Setup is required for locations that have not been studied before.	<i>per block face</i>
	– Includes custom geofences, one-way street setup, collection route creation.	
	– Collection routes will be built to fit within time intervals, such as 200 block faces can be collected in a three-hour interval. Three hours is considered the time interval for metered block faces (9am-12pm, 12-3pm, 3-6pm, 6-9pm). Collection routes benefit from maximizing the number of block faces that can be collected in the time interval.	(Minimum of 30 block faces)
	– Includes Google Maps curb space measurements and calculations for unmarked parking spaces.	
6	Inventory Collection Only	\$45
	– Parking space inventory is required for locations that do not have accurate information.	<i>per block face</i>
	– Includes Google Maps curb space measurements and calculations for unmarked parking spaces.	<i>(Minimum of 30 block faces)</i>
*Tasks 4 – 6 are one-time setup fees.		

Part 4 - Hourly rates for optional services

Description	Hourly rate
Principal Consultant	\$225.00
Senior Associate/Senior Software Engineer	\$175.00
Associate/Data Analyst	\$155.00
Junior Associate	\$115.00

Part 5 – Proposed Contract Not-To-Exceed Budget

			Main Term	Extension	Total Contract
	Monthly Cost	Annual Cost	Total	Extension Term	Total
Management Fees	\$ 121,350	\$ 1,456,200	\$ 7,281,000	\$ 7,963,098	\$ 15,244,098
Non-CBA Labor	\$ 80,818	\$ 969,816	\$ 4,849,080	\$ 5,303,351	\$ 10,152,431
CBA Labor (Estimated)	\$ 166,750	\$ 2,001,000	\$ 10,005,000	\$10,942,288	\$ 20,947,288
OSSI Fees	\$ 5,000	\$ 60,000	\$ 300,000	\$ 330,000	\$ 630,000
Smart Cards	\$ 10,000	\$ 120,000	\$ 600,000	\$ -	\$ 600,000
Equipment	\$ 10,000	\$ 120,000	\$ 600,000	\$ 660,000	\$ 1,260,000
	\$ 393,918	\$ 4,727,016	\$ 23,635,080	\$25,198,738	\$ 48,833,818
Optional Data Services Budget					\$ 500,000
Contingency @	3%				\$ 1,465,015
Contract NTE			\$ 23,635,080	\$25,198,738	\$ 50,798,833

APPENDIX C
LIQUIDATED DAMAGES

I. DEFINITIONS:

In addition to the definitions in the Agreement and the Statement of Work, the following definitions shall pertain to the terms used within this document:

"Failure" or "Fail" or "Failing" shall refer to functionality described under the column heading "Description of Failure," which describes an event of the hardware or software not performing at the threshold (minimum performance standard) described in the column titled "Threshold for LD Assessment".

II. GENERAL EXCLUSIONS:

Liquidated damages and credit assessments shall not be imposed in case of Unavoidable Delay to Contractor's performance of the Services to the extent that Contractor by reasonable due diligence could not have foreseen and avoided or mitigated that delay.

III. LIQUIDATED DAMAGES:

The Contractor acknowledges that its failure to perform the Services (including the failure of the software and hardware to perform) to meet or exceed the Threshold standards stated in this Agreement will cause the SFMTA, the City and the public to incur costs and other damages the City and the public, and that the amount of such damages will be extremely difficult or impractical to calculate at the time Contractor fails to perform. The SFMTA and Contractor agree that the amounts described as liquidated damages in this Agreement are not penalties but represent a fair and reasonable estimate of the damages that the SFMTA will incur by reason of Contractor's failure to perform and are fair compensation to City for its losses. Failure by the SFMTA to impose liquidated damages in any instance shall not constitute a waiver of the SFMTA's rights to assess liquidated damages for a similar or any other failure to perform by, nor will it constitute a waiver of any other right of the SFMTA under this Agreement.

The SFMTA may deduct a sum representing the liquidated damages assessed from any

money due to Contractor under this Agreement. Should the SFMTA assess liquidated damages, the SFMTA will send written notification to the Contractor for its information. Assessments within a given month shall not exceed 25 percent of the total monthly service fees due Contractor for that month. Liquidated damages in any month that exceed 25 percent of total services will be carried over and assessed in the following month.

If two or more Failures are determined for an event, Contractor will be charged for the Failure with the highest assessment.

Where, under the provisions below, SFMTA is required to issue a written warning to Contractor prior to assessment of liquidated damages, Contractor shall have seven calendar days to repair, replace, correct, adjust, or modify the Services to the Cure the. The SFMTA may in its discretion extend a cure period; any extensions will be in writing.

Where, under the provisions below, SFMTA is not required to issue a written warning to Contractor prior to assessment of liquidated damages, SFMTA, as soon as practicable after the failure, will send a written notice of assessment to Contractor, setting forth a reasonable description of the nature of the failure, as known to SFMTA at the time, and the amount of the assessment.

Detailed descriptions, threshold and potential assessment of the liquidated damages can be found in Table 1 below.

Table 1

Item #	Description of Failure:	Threshold for LD Assessment:	Potential Assessment:
1	Adhering to Collection Schedule	If the Contractor fails to meet agreed upon collection schedule the SFMTA will issue a written warning. If such an incident occurs again, the Contractor will be assessed liquidated damages.	\$500 per incident
2	Coin Collection Services	If the Contractor fails to provide collection services as required under Appendix A (SOW), Section 2, the SFMTA will issue a written warning. If such an incident occurs again, the Contractor will be assessed liquidated damages.	\$500 per incident
3	Data Collection Services	If the Contractor fails to provide collection services as required under Appendix A (SOW), Section 4, the SFMTA will issue a written warning. If such an incident occurs again, the Contractor will be assessed liquidated damages.	\$500 per incident

4	Coin Delivery Services	If the Contractor fails to provide collection services as required under Appendix A (SOW), Section 3, the SFMTA will issue a	\$500 per incident
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Item #	Description of Failure:	Threshold for LD Assessment:	Potential Assessment:
		written warning. If such an incident occurs again, the Contractor will be assessed liquidated damages.	