THIS PRINT COVERS CALENDAR ITEM NO.: 10.4 and 10.5

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

DIVISION: Streets

BRIEF DESCRIPTION:

Authorizing the Director of Transportation to issue a Request for Proposals #SFMTA-2021-64 to solicit proposals from parking management companies for two contracts for the operation and management of 16 City-owned parking garages and lots, and four Parking Authority parking garages, each contract having a term of five years with options to extend the contracts' terms up to an additional two years, with an amount not to exceed $180 million for each contract.

SUMMARY:

- The SFMTA owns/leases and manages 11½ access-controlled parking garages and lots; the SFMTA also manages four parking garages the San Francisco Parking Authority owns and 4½ garages and lots the Recreation and Parks Department owns.
- The SFMTA (like its predecessor, the Department of Parking and Traffic) have always contracted for the management its parking garages. Pending Board of Supervisors approval of term extensions, the current garage management contracts will expire on January 31, 2023.
- The proposed Request for Proposals divides the parking garages into two groups of nine and 11 facilities and will select a separate garage manager for each group. The selection criteria are weighted to 82.5 percent expertise and experience, and 17.5 percent cost. The Agency has set a Local Business Enterprise participation goals for the garage groups of 12 and 16 percent. Award of the two contracts will require Board of Supervisors' approval, because the value of each contract will exceed $10 million.
- The not-to-exceed value of each contract is $180 million, which includes the operating costs for each group of garages and $10,000 monthly management fees, which total approximately $20 million per year for each contract over their nine-year terms. Net SFMTA revenues from the garages are estimated to total $298 million over that period.

ENCLOSURES:

1. SFMTAB Resolution
2. PA Commission Resolution
3. Request for Proposals for Parking Facility Management Services

APPROVALS: **DATE**

DIRECTOR _____ December 1, 2021

SECRETARY _____ December 1, 2021

ASSIGNED SFMTAB & PAC CALENDAR DATE: December 7, 2021

PURPOSE

Authorizing the Director of Transportation to issue a Request for Proposals #SFMTA-2021-64 to solicit proposals from parking management companies for two contracts for the operation and management of 16 City-owned parking garages and lots, and four Parking Authority parking garages, each contract having a term of five years with options to extend the contracts' terms up to an additional two years, with an amount not to exceed $180 million for each contract.

STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES

This action will support the following SFMTA'S Strategic Plan Goal:

10. Position the agency for financial success.

This action will support the following Transit First Policy Principles:

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

DESCRIPTION

Background

SFMTA's Authority to Manage Parking Garages

The SFMTA owns and operates eleven and one-half parking garages and 20 parking lots (of which one is included in the proposed Request for Proposals (RFP), the remaining 18 are metered lots not covered by these garage management contracts). The SFMTA also manages three and one-half parking garages and one parking lot (at Kezar Stadium) owned or partially-owned by the Recreation and Parks Department (RPD) (RPD owns the portion of the St. Mary's Garage under St. Mary's Square, and the SFMTA owns the other half) and four parking garages owned by the Parking Authority of the City and County of San Francisco (Parking Authority).

Proposition D, passed by the voters in November 1987, established the Department of Parking and Traffic (DPT) and gave the DPT the authority to manage and operate all City-owned off-street parking facilities, with the exception of parking facilities owned by the Airport and the Port. Proposition E, passed by the voters in November 1999, established the Municipal Transportation Agency, placed the DPT under the governance of the SFMTA, and established policies for the operation of off-street parking facilities and use of parking revenues. Proposition A, passed by the voters in November 2007, dissolved the DPT and merged its operations into the SFMTA, and directed that the SFMTA was the successor to and was authorized to exercise all authority previously granted to the DPT. Under that authority, the SFMTA owns 12 garages: Ellis O'Farrell Garage, Sutter Stockton Garage, Fifth and Mission Garage, Golden Gateway Garage, Mission Bartlett Garage, Performing Arts Garage, Moscone Center Garage, 16th & Hoff

Garage, Pierce Street Garage, Vallejo Street Garage, St. Mary's Square Garage (one-half), and the Japan Center Garages. The SFMTA also operates the 7th & Harrison Lot, which is on land leased from CalTrans.

As directed by Charter section 4.113, the SFMTA also manages three and one-half parking garages that the Recreation and Parks Department (RPD) owns: Civic Center Garage, Union Square Garage, St. Mary's Square Garage (one-half), and Portsmouth Square Garage. For the convenience of the two agencies, the SFMTA also manages the Kezar Stadium lot for RPD.

The SFMTA also manages four parking garages that the Parking Authority of the City and County of San Francisco (Parking Authority) owns: Lombard Street Garage, North Beach Garage, Polk-Bush Garage, and the General Hospital Garage and associated parking lots. The Parking Authority is governed by State law. Calif. Streets and Highway Code § 32500 et seq. The SFMTA Board of Directors sits *ex officio* as the Parking Authority Commission, setting policies and approving contracts concerning Parking Authority garages. (Sts. & Hwy Code § 32656(c), Charter § 8A.112.A.) To more efficiently manage Parking Authority garages, in November 2007, the Parking Authority Commission contracted with the SFMTA to manage the Parking Authority's garages, applying the same policies and administrative procedures as the SFMTA uses to manage SFMTA garages. (MTAB Res. No. 07-71 Nov. 6, 2007.)

Prior RFP and Current Operator Agreements

In April 2011, the SFMTA issued RFP #2010/09-14 which sought proposals from experienced garage management firms to manage SFMTA and Parking Authority garages, which were divided into three groups (A,B, and C), and issued a Request for Proposals to separately manage each of the garage groups. On December 6, 2011, the SFMTA Board of Directors (MTAB) and Parking Authority Commission (PAC) awarded three contracts for the management of parking facilities, each with a total term of nine years. (Two of the operators later merged, with the effect that the SFMTA has had two garage management firms operating the garages.)

Rather than issue a new RFP during the height of the coronavirus pandemic in 2020, the three garage Agreements were extended for a year, for a total term of 10 years. One of these extensions, for Group C, required approval from the SFMTA Board of Directors and Parking Authority Commission, which approval was granted by the SFMTA Board and Parking Authority Commission on January 19, 2021.

Subsequent to the term extensions in early 2021, and as the pandemic continued, staff realized that more time was needed than originally projected to conduct a robust RFP process for new, long-term garage management contracts. On October 5, 2021staff requested and the MTAB and PAC approved a further one-year extension of the existing management contracts. Because these latest extensions increase the terms of the existing contracts from 10 to 11 years, the extensions must also be approved by the San Francisco Board of Supervisors (BOS). Review by the BOS is expected in January 2022. Assuming the BOS approves the requested extensions of the existing contracts, the existing garage management contracts (for Group A, B and C) will expire on

Evolution of Garage Management and Operations

The current management contracts, commencing in early 2012, were a significant improvement in the SFMTA's previous oversight of the garages it manages. Prior to 2012, SFMTA staff managed 16 garages under 14 separate operator contracts. The required contract administration duties were overly cumbersome, highly inefficient, and made it nearly impossible to achieve consistency in operational policy, revenue security, and customer experience at all garages.

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

Under the proposed garage management contracts, like the current contracts, the SFMTA will pay the selected garage management firms a fixed $10,000 monthly management fee, and will reimburse the garage managers' operating expenses, based on SFMTA-approved annual budgets. That arrangement gives the managers incentive to operate the garages efficiently, but also ensures that the facilities will be properly maintained. The garage management firms bear the risk that if they do not manage their assigned garages efficiently, the costs to operate the facilities will exceed amount of the budgeted cost reimbursements. In approving annual budgets for operating expenses, the SFMTA retains control over the garages to better ensure that the facilities are properly operated and maintained.

Prior to consolidating the management of the garages into three contracts, the SFMTA awarded garage contracts as fixed-fee contracts under which the SFMTA paid garage management companies a comprehensive monthly fee, from which the management company would pay all labor and facility operating costs, with the remainder as profit. This arrangement proved to be detrimental to the Agency in the long term, as management companies had an incentive to maximize profits by reducing garage maintenance and janitorial work, which caused the facilities' physical condition to deteriorate. That arrangement also provided incentives to operators not to pay garage staff fair wages and benefits, (which are now governed by the City's prevailing wage ordinance and regulations).

New PARCS Program

During the terms of the current contracts, the SFMTA implemented a comprehensive upgrade of the Parking Access And Revenue Control System (PARCS) equipment, and supporting utility infrastructure, which provide greater security and control over garage entries, exits, tickets, and tracks occupancy and reports parking revenues in real time. The upgraded PARCS is now fully implemented in all of the garages, connecting them through a City-owned fiber-optic network.

The additional control over garage entrances and exits, and the full automation of nearly all payment transactions, has significantly enhanced security of garage revenues, which has helped to buoy garage revenues, even during the gradual downward trend in garage utilization over the last five years. The garage portfolio has completed a full evolution from independent, individual operations that were only loosely connected into a true, interconnected portfolio that is overseen by both SFMTA and garage-operator staff at a system-wide level.

Proposed Garage Operator RFP

The proposed RFP will enable the SFMTA to:

- Solicit proposals from qualified parking garage management firms
- Continue with the group-contract model that brings enhanced consistency of operations and significant economies of scale to garage operations
- Set the stage for SFMTA and parking operator staff to work together to implement next-level functionality of the new PARCS to bring enhanced operational processes to parking customers, including enhanced payment options, touchless entry options for transient and monthly parkers, and advance reservations for special events.

Scope of Work

Through two multi-year contracts, the operators will provide day-to-day operation and management services for their assigned parking facilities. These services will include PARCS management, janitorial services, security, and facility maintenance. A form contract included in the RFP and the attached Parking Facility Operation and Management Regulations set out detailed descriptions of the responsibilities of the operators, and contractual requirements.

The attached RFP divides the 20 garages and lots into two groups – Group A and Group B – which are roughly equivalent in number of parking stalls and annual revenue. For administrative efficiency, the Kezar Stadium parking lot and the parking lot at 7th & Harrison Streets are included in these groups. (The Japan Center Garages are separately managed under a lease with a non-profit parking corporation and are not included this RFP, but are subject to SFMTA oversight.)

Garage Groups

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

The proposed groupings were reviewed by contract compliance staff, which established a Local Business Enterprise (LBE) goal of 16 percent for Group A and 12 percent for Group B.

Proposal Submission and Evaluation

Each proposal must clearly describe the firm's qualifications and experience in managing the daily operation of public parking facilities. The proposal must include a Management/Operations Plan, a Marketing/Collaboration Plan, a Maintenance Plan, a Security and Safety Plan, and a Cost Proposal for operational expenses that are within the operator's control (e.g. personnel and labor costs, insurance premiums, credit card processing/PCI-DSS compliance costs, and security, maintenance and janitorial costs.) An evaluation panel will score each proposal using these criteria, and each proposer will receive a score of up to 150 points on its written proposal (which includes 35 points for costs). Oral interviews will then be held for proposers within the competitive range, and each proposer's interview presentation will be scored up to a maximum score of 50. The proposer with the highest total score (written proposal and oral interview) out of a possible 200 will be allowed to select which of the two garage groups it would like to manage. The second-place proposer will be awarded the remaining group.

Contract Costs and Garage Revenues

The estimated value of each contract is $180 million, which includes the sum of operating costs for each group of garages and $10,000 monthly management fees, which total approximately $20 million per year over the nine-year term (excluding parking taxes that the operators and the SFMTA collect from parkers and remit to the Tax Collector). Each month during the term of the contracts, the SFMTA will reimburse the garage managers their operating expenses, based on

annual operating budgets prepared by each garage manager and approved by the SFMTA. The reimbursed operating costs are included the SFMTA's bi-annual operating budgets. A summary of annual garage operating expenses for FY20-21 is shown below:

FY20-21 Garage Expenses

Expense Categories	Annual Total
Total	*$28.5 million*
Labor	$8.3 million
Utilities	$2.2 million
Maintenance	$1.5 million
Supplies	$0.3 million
Contracted Services	$4.0 million
Fees	$3.8 million
Parking Tax	$8.5 million

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

STAKEHOLDER ENGAGEMENT

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

ALTERNATIVES CONSIDERED

The SFMTA could, with Board of Supervisors approval extend the existing contracts, but doing so would not accord with City and SFMTA contracting policies that contracts should be put to competitive bid at regular intervals to ensure that the City receives the best services at reasonable prices. Further, the new long-term operating contracts will deliver enhanced benefits to the City over the existing contracts. The cost proposal required by the RFP will provide greater cost control over certain expenses that could not be tightly controlled under the terms of the existing contracts. Therefore, continuing under the existing contracts is not recommended.

The SFMTA could reconfigure the two groups of garages to multiple smaller groups or contract for the management of individual garages, but doing so would cause the Agency to lose the operational efficiencies and cost benefits gained through consolidation of operations and implementation of the PARCS, as small parking operators would not have the IT resources to operate the PARCS.

The SFMTA could award a contract to a single management firm to manage all the garages. But the Agency has realized significant value in having more than one vendor, as that provides the

Agency an on-going comparison of efficient operations, and provides the Agency a means to continue operating all facilities if one operator fails to meet service obligations.

FUNDING IMPACT

Funds required to support the RFP process are included in the adopted FY21-22 agency budget. Funds required to reimburse the managers' garage operating costs for the contracts' terms will be included in the SFMTA's proposed two-year budgets, commencing with FY22-23 & FY23-24.

ENVIRONMENTAL REVIEW

On August 12, 2021, the SFMTA, under authority delegated by the Planning Department, determined that the proposed Request for Proposals for parking garage management services 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

No other approvals are needed to issue the proposed RFP.

The City Attorney has reviewed the proposed RFP and this Calendar Item.

RECOMMENDATION

Staff recommends that the SFMTA Board of Directors authorize the Director of Transportation to issue a Request for Proposals #SFMTA-2021-64 to solicit proposals from parking management companies for two contracts for the operation and management of 16 City-owned parking garages and lots, and four Parking Authority parking garages, each contract having a term of five years with options to extend the contracts' terms up to an additional two years, with an amount not to exceed $180 million for each contract

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. _____

WHEREAS, The SFMTA owns 11 ½ parking garages and lots; the SFMTA manages four parking garages the San Francisco Parking Authority owns and 4 ½ garages and lots the Recreation and Parks Department owns; and

WHEREAS, The SFMTA Streets Division, like its predecessor agency the Department of Parking and Traffic, has contracted with garage management companies to operate and maintain the parking garages under its jurisdiction for more than 20 years; and

WHEREAS, The terms of the current three garage management contracts commenced in 2012. The terms of those contracts have been extended three times, and pending Board of Supervisor's approval of a further extension will expire on January 31, 2023; and

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

WHEREAS, The proposed Request for Proposals divides the parking garages into two groups, and will select a separate garage manager for each group. The selection criteria are weighted to 82.5 percent expertise and experience, and 17.5 percent cost; and

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

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

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

WHEREAS, The Contract Compliance Division has set Local Business Enterprise participation goals for the garage groups of 16 and 12 percent; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to issue a Request for Proposals #SFMTA-2021-64 to solicit proposals from parking management companies for two contracts for the operation and management of 16 City-owned parking garages and lots, and four Parking Authority parking garages, each contract having a term of five years with options to extend the contracts' terms up to an additional two years, with an amount not to exceed $180 million for each contract.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of December 7, 2021.

_____

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

PARKING AUTHORITY COMMISSION
OF THE CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION No. _____

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

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

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

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

WHEREAS, The SFMTA Streets Division, like its predecessor agency, the Department of Parking and Traffic, has contracted with garage management companies to operate and maintain parking garages under its jurisdiction for more than 20 years; and

WHEREAS, The terms of the current three garage management contracts commenced in 2012. The terms of those contracts have been extended three times, and pending Board of Supervisor's approval of a further extension will expire on January 31, 2023; and

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

WHEREAS, The proposed Request for Proposals divides the parking garages into two groups, and will select a separate garage manager for each group. The selection criteria are weighted to 82.5 percent expertise and experience, and 17.5 percent cost; and

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

WHEREAS, The not-to-exceed value of each contract is $180 million, which includes $10,000 monthly management fees and operating costs for each group of garages totaling approximately $20 million per year over the nine-year term, and net revenues to the SFMTA from operation of the garages are estimated to total $298 million over that period; and

WHEREAS, The SFMTA's Contract Compliance Division has set Local Business Enterprise participation goals for the garage groups of 16 and 12 percent; now, therefore, be it

RESOLVED, That the Commission for the Parking Authority of the City and County of San Francisco authorizes the SFMTA Director of Transportation to issue a Request for Proposals #SFMTA-2021-64 to solicit proposals from parking management companies for two contracts for the operation and management of the Lombard Street Garage, North Beach Garage, Polk-Bush Garage, and the San Francisco General Hospital Garage and associated parking lots, as part of a Request for Proposals for SFMTA managed parking facilities, each contract having a term of five years with options to extend up to an additional four years, and an amount not to exceed $180,000 million for each contract.

I certify that the foregoing resolution was adopted by the Commission of the Parking Authority of the City and County of San Francisco at its meeting of December 7, 2021.

_____

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

City and County of
San Francisco

Request for Proposals for Parking Facility Management Services

RFP No. SFMTA-2021-64

EVENT ID: SFGOV-

(CCO No. 21-1563)

Date Issued:	**January 14th, 2022**
Pre-Proposal Conference:	**February 2nd, 2022 11:00am PT**
Proposal Due:	**March 1st, 2022 12:00pm PT**

San Francisco Municipal Transportation Agency (SFMTA)
Request for Proposals for Parking Facility Management Services

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I. Introduction and Schedule

A. General

The San Francisco Municipal Transportation Agency (SFMTA, Agency) issues this Request for Proposals (RFP) to solicit proposals from qualified parking facility management firms (Managers or Contractors) Manager to manage and operate (collectively, the Services) at off-street parking facilities the SFMTA owns and/or manages San Francisco, California. The scope of these Services is described in more detail in Article II of this RFP.

The SFMTA plans to award two management agreements to two separate Managers. The SFMTA will select the Managers based on the evaluation criteria set forth in Article IV of this RFP. When awarded, the Management Agreements will each have a term of nine years.

For additional information about this solicitation, the SFMTA encourages Proposers to attend the pre-proposal conference described in Section V.A of this RFP.

B. Schedule

The anticipated schedule for selecting a Contractor is:

Phase	**Date**
RFP is issued by the SFMTA:	1/14/21
Pre-Proposal Conference:	2/2/22 11:00am PT
Deadline for submission of written questions or requests for clarification:	2/9/22 12:00pm PT
Proposals due:	3/1/22 12:00pm PT

Phase	***Tentative* Date**
Oral interview of short-listed firms*:	4/1/22
Contract Negotiations:	5/2/22
SFMTA Board approval:	6/1/22
Board of Supervisors approval:	7/1/22
Contract Starts:	1/1/23

C. Contractors Unable to do Business with the City

1. Generally

Contractors that do not comply with laws set forth in San Francisco's Municipal Codes may be unable to enter into a contract with the City.

2. Companies Headquartered in Certain States

Subject to certain exceptions in the ordinance, the SFMTA advises Proposers that the Management Agreements are is subject to the requirements of Administrative Code Chapter 12X, which prohibits the City from entering into a contract with a contractor (a) that has its United States headquarters in a state that has enacted a law or laws that perpetuate discrimination against LGBT people or has enacted a law that prohibits abortion prior to the viability of the fetus, or (b) that will perform any or all of the work on the contract in such a state. Chapter 12X requires the City Administrator to maintain a list of such states, defined as "Covered States" under Administrative Code Sections 12X.2 and 12X.12. The list of Covered States is available on the website of the City Administrator: https://sfgsa.org/chapter-12x-state-ban-list. Each Proposer must certify compliance with Chapter 12X as part of its Proposal, unless the City determines that an exception applies.

II. Scope of Work

The scope of the Services is described below. The SFMTA reserves the right to modify or add to the Services, and Proposers may suggest in their Proposals modifications to the Services, so long as the modifications are consistent with SFMTA's goals set forth in Section I.B. Manager shall be required to perform the Services in accordance with applicable federal, state, and local laws and regulations.

A. General

The selected Managers will provide operational and management Services at off-street parking facilities the San Francisco Municipal Transportation Agency (SFMTA) owns and/or manages in San Francisco, California. The SFMTA will select the Proposers that have the experience and resources necessary to improve the overall performance of City parking facilities through implementation of new operational efficiencies, maximized use of new technology, and close coordination with SFMTA staff on policy and program implementation.

B. Introduction and Background

The SFMTA is a multi-modal transportation organization responsible for public transit and management of streets in San Francisco. SFMTA's Parking & Curb Management unit manages 21 PARCS-controlled parking facilities in San Francisco. Collectively, the facilities have typically generated more than $90,000,000 in annual gross revenues (prior to the 2020 pandemic). Parking revenues are a critical source of funding dedicated to support the SFMTA's public transit operations. Parking revenues dropped significantly during the pandemic, but they are rebounding as the economic recovery gains strength. Gross revenues for the fiscal year ending June 30, 2021 are projected to be about $42,000,000.

The mission of the Parking & Curb Management unit is to provide clean, safe and convenient parking to the visitors, employees and businesses of the downtown core as well as commercial and residential districts. Through effective management of over 15,000 spaces at 38 parking facilities throughout the city, the unit supports economic vitality in the City's downtown and neighborhood commercial districts. Various parking policies and programs, administered by the unit, support the City's Transit First policy, help reduce traffic congestion on City streets and promote alternate modes of transportation. The unit monitors current and anticipated parking demands, and evaluates the need for policy changes to ensure the off-street parking facilities are effectively supporting the SFMTA's strategic goals.

For visitors, these parking facilities often provide a first impression of the San Francisco. It is important to the City that the parking facilities are managed and operated in a manner that reflects the City's commitment to customer service, careful stewardship of the public's capital investments, adequate safeguards on the City's revenues, and professional management of the City's Services.

The Services required vary somewhat by facility location, because each parking facility has different operating characteristics and primary customers. Appendix H of this RFP to the Model Agreement provides a description of the parking facilities.

C. Parking Facilities and Groups

The SFMTA intends to enter into Management Agreements with the two highest ranked Proposers to provide parking operational and management Services for the 20 City-owned parking facilities listed below. (See Appendix H for detailed physical descriptions of the facilities.) The 20 facilities are divided into two groups. Moreover, each group is supported by a command center located at one of the group's garages.

1. Facility Makeup

Group A – Nine Facilities (FY20-21 Gross Revenue – $21.2M, Spaces – 6,234)

1. Ellis O'Farrell Garage, 123 O'Farrell Street
2. Fifth & Mission Garage, 833 Mission Street
3. Kezar Lot**, 825 Stanyan Street
4. Mission Bartlett Garage, 3255 21st Street
5. Moscone Center Garage, 255 3rd Street
6. 7th & Harrison Lot, 415 7th Street
7. Zuckerberg SF General Hospital Garage, 2500 24th Street
8. 16th & Hoff Garage, 42 Hoff Street
9. Union Square Garage*, 333 Post Street

**Location includes a 24/7 Command Center connected to all of Group A.*
***Requires specialized remote support.*

Group B – 11 Facilities (FY20-21 Gross Revenue – $17.9M, Spaces – 6,049)

1. Civic Center Garage, 355 McAllister Street
2. Golden Gateway Garage, 250 Clay Street
3. Lombard Garage, 2055 Lombard Street
4. North Beach Garage, 735 Vallejo Street
5. Performing Arts Garage, 360 Grove Street
6. Pierce Garage, 3252 Pierce Street
7. Polk Bush Garage, 1399 Bush Street
8. Portsmouth Square Garage, 733 Kearny Street
9. St. Mary's Square Garage*, 433 Kearny Street
10. Sutter Stockton Garage, 444 Stockton Street

11. Vallejo Garage, 766 Vallejo Street

**Location includes a 24/7 Command Center connected to all of Group B.*

2. Command Centers

Group A & B - All facilities are supported by 24/7 command centers via intercom and video. Group A's command center is located within Union Square Garage, and Group B's command center is located within St. Mary's Square Garage. These two command centers each have multiple workstations connected to video and intercom feeds from all group garages. Command center staff support on-site staff, and/or monitor facilities during times they are unstaffed, by assisting customers and also by monitoring camera feeds. Command center staff are responsible for coordinating response by on-site staff, roving staff and/or public safety departments in response to incidents they observe while monitoring the camera feeds and intercoms.

Kezar Lot – Kezar Lot is unique within the facility portfolio. It is the only facility controlled by Datapark PARCS equipment. Because it is on a different PARCS platform than other garages, Kezar Lot's cameras and intercoms are not supported by the Group A command center. However, the established operational protocol for the facility requires remote monitoring capabilities. Therefore, the successful Proposer for Group A must already have or must establish the ability to remotely monitor this facility.

3. Only One Proposal per Proposer

A Proposer may only participate in one Proposal. A Proposer cannot be awarded or have any interest in more than one Management Agreement -- for example, a Proposer may not be awarded one of the Management Agreements as a prime contractor or joint venture partner, and also participate in the other Management Agreement in any capacity. When the top two highest ranked Proposals have been identified through this RFP process, the single highest ranked Proposer will be offered the opportunity to contract for the facilities group it prefers, and the second-ranked Proposer will be offered the opportunity to contract for the remaining group.

D. Recent PARCS Modernization

By the time the SFMTA awards the new Management Agreements, the SFMTA will have completed a five-year, $35,000,000 project with Skidata to replace the parking access and revenue control systems (PARCS) and upgrade the supporting infrastructure. The new PARCS will replace and upgrade all parking equipment, gates, ticket machines, pay stations and operating software. The parking facilities are connected via a private, City-owned fiber optic network that connects back to SFMTA headquarters and to the SFMTA Transportation Management Center.

The PARCS back-end IT setup includes elements managed by the City and pieces managed by contracted operators. The SFMTA has a contract with Skidata, the PARCS vendor. SFMTA staff are responsible for ensuring Skidata is fulfilling the terms of its contract. The SFMTA also provides access to the private city fiber network, over which all parking patron transactions are

processed. The Manager is responsible for providing any/all hardware and software necessary to ensure PCI/DSS compliance of parking payments and for ongoing coordination with SFMTA to confirm parking payment transactions are processing correctly and to troubleshoot with SFMTA and/or Skidata to resolve network issues when they occur. Proposers will need to present a detailed plan for effectively transitioning required back-end IT components to their control with minimal impact to ongoing operations and parking customers (see proposal requirements in Section IV.C below). Note that as part of the transition to new PARCS equipment, the SFMTA transitioned PCI/DSS management compliance to its facility Managers, and that practice and policy will continue under the new Management Agreements.

For more information on the SFMTA's PARCS replacement project, visit: https://www.sfmta.com/projects/parking-access-revenue-control-systems-0.

Note: One location, Kezar Lot, is on a different PARCS platform. To be awarded management of Kezar Lot, Proposer must have demonstrated experience in remotely monitoring a Datapark-controlled location.

E. Term and Scope of Services

The base term of each Management Agreement will be five years, having an anticipated commencement date of February 1, 2022. The SFMTA will have two options to extend a Management Agreement for a period of two years per option, for a total contract term not to exceed nine years. The exercise of options to extend the term is within the sole discretion of the SFMTA. The Term of a Management Agreement will commence on the date that the SFMTA gives notice to proceed to the selected Manager(s).

The selected Managers shall provide all Services necessary to manage, operate, and maintain the City-owned parking facilities respectively assigned to them, in accordance with the terms and conditions the Parking Facility Operation and Management Regulations (Facility Regulations) and as provided in this RFP and the Management Agreement. The Services include but are not limited to:

1. Collection of parking fees and remittance of revenues to SFMTA
2. Collection and remittance of parking taxes to the SFMTA and San Francisco Tax Collector
3. General maintenance of parking equipment (PARCS), including pay stations, ticket spitters, card readers, and gates
4. General maintenance of the parking facility, including minor repairs and facility cleaning
5. Facility security
6. Facility customer assistance and information
7. Employment of management and non-management staff sufficient to perform the Services as required by the Management Agreement and the Facility Regulations

8. Enforcement of parking rules within the facilities
9. Oversight of parking facilities' physical plant condition and notice to SFMTA of significant damage, and any required maintenance and/or repair
10. Preparation of maintenance and security plans for the facilities assigned to the Manager
11. Preparation of annual operating budgets for reimbursable expenses and fiscal management of assigned facilities
12. Preparation of financial records of expenditures in accordance with approved annual budgets for reimbursement
13. Contracting with and payment to vendors and subcontractors that provide Services to the facilities
14. Marketing the facility and performing outreach to local community groups, business groups, and other local stakeholders

The selected Managers will follow and support City parking policies, while providing the highest standard of professional, courteous, and efficient Services based on proven and effective parking industry best practices for parking facilities operation and management. The attached Model Agreement and the Facility Regulations contain a detailed description of the responsibilities of the Managers and other applicable terms and conditions. The Managers' Contracts and performance of Services are also subject to the following requirements and conditions.

The SFMTA may during the term of the Management Agreements add or delete parking facilities to the facilities assigned to a Manager, as provided in the Management Agreement.

Parking Rates. Pursuant to the San Francisco Charter, the SFMTA has the sole authority to determine parking rates to be charged in the parking facilities. Upon the SFMTA's approval of any new parking rates, the Manager will be responsible for changing all rate signage based on the SFMTA standards for signage, making/coordinating software updates and charging each patron the appropriate parking fees. Replacement signage and software upgrades will be reimbursable expenses. From time to time, the SFMTA may request the Manager to conduct a parking rate survey and to make recommendations to the SFMTA on the proposed rate adjustments.

The selected Managers will be required to fulfill the obligations set forth in the Model Agreement and the Facility Regulations with respect to charging, collecting and depositing all parking fees collected during operation of the Facilities.

III. COMPENSATION

The SFMTA will pay each Manager a Management Fee and will reimburse the Manager its approved costs incurred in managing the Parking Facilities assigned to it, as further described below.

A. Management Fee

The SFMTA will pay each Manager a Management Fee of Ten Thousand Dollars ($10,000) per month. The Management Fee will include the Manager's profits and compensation for all unreimbursed incurred costs for management of the Facilities. Beginning the first month of contract years six and eight, if extended, the monthly management fee will be increased by five percent (5%).

B. Reimbursable and Non-Reimbursable Expenses

Each month, the SFMTA shall reimburse each Manager for approved operating expenses the Manager actually incurs in managing the Facilities. The City will reimburse only those operating expenses that the Manager incurs and that are within approved cost categories and are fully documented in accordance with Facility Regulations.

Reimbursable Operating Expenses are defined more specifically in the Model Agreement, but generally include the following categories of Manager's approved costs that are directly associated with Manager's performance of the Services:

1. Personnel/Payroll
    a. Parking operations salaries
    b. Payroll Taxes
    c. SF Business Tax
    d. Employee Benefits
    e. Worker's Compensation
2. Utilities
    a. Electricity
    b. Water
    c. Telephone (business use only)
    d. Garbage Collection
3. Maintenance & Repair
    a. PARCS
    b. Elevator
    c. Roll-up Door
    d. Plumbing, Electrical, HVAC

4. Supplies
    a. On-site Office
    b. Garage
    c. Parking (including, but not limited to, tickets, traffic cones, receipt paper, etc.)
    d. Uniforms
5. Professional Services
    a. Security
    b. Janitorial
    c. Electronic Safe, Armored Courier
    d. Uniform Cleaning
    e. Facility Maintenance (e.g. power/pressure washing)
    f. Other professional Services pre-approved by SFMTA
6. Other
    a. Insurance, at actual cost if from a third-party carrier, (except for deductibles or other costs resulting from theft, employee negligence, dishonesty or other acts of malfeasance)
    b. Parking Taxes remitted to the San Francisco Tax Collector
    c. Parking Tax Bond premiums, at actual cost from third-party carrier
    d. Any other expenses pre-approved by the SFMTA in writing

Non-Reimbursable Expenses shall include, but are not limited to:

1. Employee recruitment
2. Internal accounting Services; payroll administration/processing, invoicing monthly statements
3. In-house audit
4. Interoffice correspondence
5. Off-site supervision
6. Payroll processing
7. Fees for use of a monthly parking platform (e.g. PARIS)
8. IT, audit or any other costs related to maintaining PCI/DSS compliance
9. The cost of Emergency Actions caused by the negligence or willful misconduct of any employee of the Manager

10. The cost of repairing revenue control equipment or other damage to the Garages resulting from Manager's or Manager's employees' willful, intentional or grossly negligent acts
11. Meals, mileage, gratuities or gifts
12. Penalties or fees resulting from Manager's late payments of fees, taxes or bills
13. Overhead costs not directly attributable to operation of the Garages
14. Attorney's Fees or costs incurred in connection with any dispute with the City
15. Other expenses not directly related to the day-to-day operations, as may be determined by the Director in his or her sole discretion
16. Manager back-office systems (mobile payment applications, online reservations, etc.)

IV. Submission Requirements

A. Time and Place for Submission of Proposals

Proposals must be received by 12:00pm PT on 3/1/22. Proposers must submit their Proposals in an electronic format by email to Sheila.Layton@SFMTA.com.

Proposer shall limit e-mail messages to 25MB or less to avoid potential issues.

Proposer may break up their Proposals into separate electronic files and submit these in separate e-mails. Per Section III.B, each electronic file shall be clearly marked "SFMTA-2020-44" and, as applicable, "Part 1 – Written Proposal," "Part 2 – CMD Attachment 2 Forms," and "Part 3 – Cost Proposal."

Proposer is fully responsible for ensuring its proposals is received by the time and date indicated. The SFMTA will not accept late Proposals, even in cases of known email system failure. Accordingly, Proposers are encouraged to submit their Proposals at least 24 hours before the time and date due.

B. Proposal Content and Format

Proposer shall ensure that the document is legible and may be easily viewed on a computer monitor, laptop, or (electronic) tablet. The SFMTA prefers that text be unjustified (i.e., with a ragged-right margin), and that Proposers use an 11-point or larger serif font (e.g., Times Roman, and not Arial). Pages must have margins of at least 1" on all sides (excluding headers and footers).

All electronic files must include scanned (PDF) copies of any documents that require signature. Signatures must be by an official with your firm who is authorized to submit a Proposal on behalf of your firm.

Proposals shall be submitted in 3 separate electronic files, as listed below. Each electronic file shall be clearly marked "SFMTA-2021-64" and, as applicable, "Proposal Part 1," "Proposal Part 2," "Proposal Part 3," etc.

- Part 1 – One electronic copy of the Written Proposal, including completed and signed Appendices D, E, and F. (Submit Appendices A and G as separate files, as stated below.)
- Part 2 – One electronic copy of the completed and signed Appendix A forms (see Section VI.O and Appendix A) as a separate file on your electronic media submission.
- Part 3 – One electronic copy of the completed Appendix G (Cost Proposal form) as a separate file on the electronic media submission.

All electronic files must include scanned (PDF) copies of any documents that require signature. Signatures must be by an official with your firm who is authorized to submit a Proposal on behalf of Proposer's firm. Electronic media shall be clearly marked that it is for "SFMTA-2021-64"

C. Part 1 – Written Proposal

Firms interested in responding to this RFP must submit Written Proposals that include the information requested in this Section IV.C, in the order specified herein. Written Proposals must include a table of contents showing the applicable section headings and sub-headings, section numbering, and page numbers. Page limitations are indicated, below, in parentheses next to the corresponding section headings.

1. Introduction and Executive Summary (up to 4 pages)

Submit a letter of introduction with an executive summary of the Proposal. The letter must confirm that the Proposer is willing and able to perform the work described in the RFP and must be signed by an authorized representative of the Proposer.

2. Certification of Headquarters in Accordance with Administrative Code Chapter 12X.

Proposals should contain the following statement:

"I certify that my company is headquartered at the following address _____. I will notify the City if my company's headquarters moves."

This statement can be included in the letter of introduction.

3. Written Proposal (Up to 115 Points)

a. Qualifications and Experience – 10 page maximum (Up to 35 Points)

1) The description of the Proposer's qualifications and experience must include the Proposer's experience in the off-street parking industry and operation of parking facilities comparable to the City-owned facilities (described in Appendix A to the Model Agreement), within the past three years, including any public agency contracts. The description should include staffing requirements, annual gross revenues, annual budget, successful programs that the Proposer implemented, new business that the Proposer attracted to the parking facilities it manages, and a summary of the scope of Manager's responsibilities. This section should provide any other objective evidence of the quality of the Proposer's performance with respect to the facilities it manages, such as specific and verifiable examples that demonstrate the Manager's ability to achieve and sustain appropriate revenue to cost ratios, or a description of the process for how the Proposer managed expenses without a negative impact on customer service and facility condition.

2) A Proposer must describe its experience with the use of PARCS supported by a virtual network and use of off-site command centers as

a supplement to, or replacement of, on-site staff. Proposer must describe prior experience with PARCS equipment or clearly state that it has none. Proposer shall also detail experience with automated pay stations, automated parking access, and revenue control equipment and software, including sophisticated spreadsheet, revenue and data reporting, and information retrieval and organization software including, but not limited to Microsoft Excel and other financial reporting software, and any experience with internet reservations, cell phone reservations, parking guidance systems, third-party integrations with PARCS software, online processes for managing monthly parker accounts, variable pricing options including Special Event Pricing, Peak Demand Pricing and Market Based Pricing to maintain target occupancy levels.

3) This section should also include the qualifications of each management staff person outside the direct parking facilities staff, including any subcontractors. Brief resumes must be included for each Manager that includes their years of experience with automated revenue control equipment, and the number of years' experience in the operations of the parking facilities, including years of experience with San Francisco facilities. Proposers should include a description of how each Manager can enhance Services or revenues at the parking facilities and how each Manager will support and complement the current parking facilities staff.

4) The Proposer must provide copies of any notice of default or breach of contract received by the Proposer, its joint venture partner or subcontractor in connection with any garage management agreement, even if such a default was cured at a later date. Proposer must explain how the matter was addressed or resolved. Proposer must also specify whether Proposer or any predecessor in interest has had any contract for the operation and management of parking facilities terminated due to breach or default.

5) The Proposer must specify whether the Proposer (or any predecessor in interest) has been involved in any claims or litigation, within the last five years, involving any contract for the operation and management of parking facilities. Describe the nature of the litigation, the parties involved, and how the matter was resolved.

b. <u>Management Approach/Operational Plan – 20 page maximum (Up to 50 Points)</u>

Proposals must contain a narrative description of the Services to be provided to the SFMTA, including, but not limited to, cash handling procedures, daily ticket/transaction and monthly credential auditing procedures, customer service assurance, data collection strategies and associated reports, employee training, and company policies. Proposals

must include an implementation plan for said Services and activities designed to optimize the overall performance, customer service and revenues at the parking facilities. The selected Manager will be subject to employee retention requirements in San Francisco Administrative Code section 21C.7 (attached as Appendix D to the Model Agreement). Each Proposer must state how it would staff the parking facilities given those restrictions. The Proposer shall also explain how it will provide adequate coverage despite absenteeism, vacations, leaves or turnover of employees, as well as additional staff needed for special circumstances (e.g. the holiday shopping season). The Proposer shall identify one Portfolio Manager and up to four Assistant Managers to oversee (one group of) the parking facilities. The Proposer shall describe how it will schedule the Portfolio Manager and Assistant Managers to provide adequate management oversight during all days/hours of operation for all facilities within the group. The Proposer must describe how it will support its Portfolio Manager and assure the successful management of the parking facilities and implementation of its Proposal. The Proposer must describe the authority the Portfolio Manager will have as to Manager selection, shift scheduling, employee disciplinary actions, marketing, budgets, labor issues, operational changes, compiling and safe keeping of records. The proposal must also list any subcontractors and explain their roles. The Proposer must submit a sample of its Standard Operating Practices (SOP), including a Table of Contents that describes auditing and report procedures, employee training policies and procedures, and handling emergency situations (e.g. data recovery, robbery, theft, vandalism, natural disasters, etc.)

The Proposer will be responsible for PCI/DSS compliance at all contracted facilities. The SFMTA has a contract with Skidata, the PARCS vendor. SFMTA staff are responsible for ensuring Skidata is fulfilling the terms of its contract. The SFMTA also provides access to the private city fiber network, over which all parking patron transactions are processed. The Manager is responsible for providing any/all hardware and software necessary to ensure PCI/DSS compliance of parking payments and for ongoing coordination with SFMTA to confirm parking payment transactions are processing correctly and to troubleshoot with SFMTA and/or Skidata to resolve network issues when they occur. Proposers will need to present a detailed plan for effectively transitioning required back-end IT components to their control with minimal impact to ongoing operations and parking customers.

The Proposer must describe two cost cutting programs that it implemented at other parking facilities that did not negatively impact services and facility condition, including the resulting cost savings and the Proposer's role throughout the process. The Proposer should also explain who initiated the project or recommendation. The two examples described by the Proposer will be subject to verification through the reference check process.

The Proposer must describe two revenue generating projects that it implemented at other parking facilities that increased revenue without

negatively impacting facility utilization or occupancy, including the Proposer's role throughout the process. The Proposer should also explain who initiated the project or recommendation. The two examples described by the Proposer will be subject to verification through the reference check process.

The SFMTA desires to keep costs to a minimum, but merely speculative statements of lower costs will be disregarded if the basis for the lower cost is not clearly indicated and justified. The proposal should evidence an understanding of potential costs and revenues of the parking facilities and the impact on Services and facility conditions. The SFMTA will place emphasis on the Proposer's suggested means of cutting costs and past successful examples of cost-cutting programs and methods as well as suggested means of increasing revenue.

c. Maintenance Plan – 10 page maximum (Up to 10 Points)

The Proposer must provide a general Maintenance Plan that describes how the Proposer will monitor, inspect, maintain and clean the parking facilities, paying careful attention to Appendix C, Maintenance Standards and Form of Maintenance Schedule, of the Model Agreement and any additional requirements as provided by the SFMTA, pursuant to the Agreement. Maintenance equipment recommendations and requirements should also be provided. In addition to its other maintenance duties, the Manager will be responsible for scheduling special cleaning when necessary and for overseeing and giving appropriate instruction to any janitorial service companies. Plans to minimize maintenance and major capital expenses, while balancing customer service and facility condition, should also be included in the proposal.

The Proposer must describe two facility maintenance projects that it implemented at other parking facilities that noticeably improved the facility condition, including the resulting cost savings and the Proposer's role throughout the process. The Proposer should also explain who initiated the project or recommendation. The two examples described by the Proposer will be subject to verification through the reference check process.

d. Marketing/Collaboration Plan – 10 page maximum (Up to 10 Points)

Each proposal must include a general marketing/collaboration plan for the parking facilities, describing how the Proposer would enhance the facilities' revenues, public image, advertising, outreach, and coordination with area merchants, local police department staff and other local stakeholders. The target markets for the parking facilities must be addressed in the marketing plan, as well as plans for increasing parking facilities' patronage. The Proposer should also describe similar marketing strategies by marketing segments which have been successfully employed by the Proposer at comparable facilities that will be subject to verification

through the reference check process. The SFMTA wishes to explore all marketing ideas, including courtesies or amenities for its monthly and daily customers. Accordingly, the marketing plan should demonstrate an understanding of the marketing segments, including varied businesses and residential communities' needs in the areas surrounding the parking facilities. The Proposer's awareness of the communities that the parking facilities serve the needs of businesses and residents, and plans to successfully market to them and meet their needs should also be included in the Proposer's marketing plan.

The Proposer must describe two marketing projects that it implemented at other parking facilities that increased facility transient and monthly parking volume, resulting in increased net income and the Proposer's role throughout the process. The Proposer should also explain who initiated the project or recommendation. The two examples described by the Proposer will be subject to verification through the reference check process.

e. Security and Safety Plan – 10 page maximum (Up to 10 Points)

The proposal must include a general Security and Safety Plan for maintaining both the security and safety of the customers, employees, vehicles, the parking facility, equipment and all associated data collected, and assets, as well as the integrity of cash handling, credit-card processing and ticket/access card auditing procedures. The proposal must address equipment and other technical recommendations or requirements, staffing and scheduling needs, emergency and crisis handling procedures, surveillance methods and surveillance equipment, as well as a disaster planning procedure that includes a reporting protocol and communications plan, ensuring redundancy of all revenue and transaction-related data and process for recovery of data. A Proposer must describe in its Safety and Security Plan how management and supervisory staff will monitor and inspect the parking facilities to assure the security and safety of parking facility property and revenues and customer and employee safety. The proposal should describe how security can be improved, with an emphasis on customer safety, employee safety and reducing break-ins of vehicles and security of all data and reports. The proposal must include contingency plans and staff for security matters, including civil disobedience, riots, and response to the effects of acts of terrorism. The Proposer must submit a recommended Emergency Plan and a Disaster Recovery Plan and should also describe the specific training provided to staff regarding response to civil disobedience, armed robberies, riots, and the effects of acts of terrorism.

The Proposer must describe two projects that it implemented at other parking facilities that improved the safety and security of customers or vehicles or the parking facility or revenue collections or data security/recovery or ticket/transaction and monthly credential audit procedures, including the resulting cost savings and the Proposer's role throughout the process. The Proposer should also explain who initiated

the project or recommendation. The two examples described by the Proposer will be subject to verification through the reference check process.

4. Firm Qualifications / References (up to 8 pages)

Provide information on the Proposer's background and qualifications that includes the following:

a. Name, address, and telephone number of a contact person;

b. A brief description of the Proposer's firm (including a description of any relevant joint venture or partnership agreement); and

c. A description of the Proposer's participation in not more than four projects or service contracts similar in size and scope as that described in this RFP, including: (1) client/reference contact email addresses and telephone numbers; (2) a list of Proposer's staff members who worked on each project; (3) budget for each project; (4) schedule for each project; and (5) summary of each project. Limit project descriptions to two page(s) for each project. If joint contractors or subcontractors are proposed, provide the past project information and references for each of them.

   It is the Proposer's responsibility to ensure that all contact information for reference is current and includes names, telephone numbers, and e-mail addresses. If contact information is not provided or incorrect for the purposes of verifying project experience, the Proposal may be deemed non-responsive.

5. Team Qualifications (up to 4 pages)

a. Provide a list identifying: (1) each key person on the project team, (2) the Portfolio Manager, (3) the role each will play in the project, and (4) a written assurance that the key individuals listed and identified will perform the work. Affirm that those key personnel will not be substituted or reassigned to another project without the SFMTA's prior approval.

b. Provide a description of the experience and qualifications of the project team members.

D. Part 2 – CMD Attachment 2

Submit completed and signed forms listed in RFP Appendix A, CMD Attachment 2: "Requirements for Architecture, Engineering and Professional Services Contracts," to document compliance with the LBE requirements described in Section VI.O of this RFP.

E. Part 3 – Cost Proposal

Proposers shall submit with the Proposal a Cost Proposal as a separate electronic file that includes the information requested and is in the format in Appendix G. Proposers are not asked

to propose costs for all operational expenses. This is because a base level of service and cost, and related level of front-line staffing, is presumed to be equivalent, regardless of the identity of the parking Manager, because it is directed by SFMTA staff and the SFMTA budget process. Therefore, the Cost Proposal required of Proposers is limited to back-of-house and management costs that are within the Proposer's ability to project and control.

Cost Proposal items include:

1. Salaries and benefits for all facility management staff not covered by Administrative Code section 21.C.7
2. Insurance premiums (priced per self-park stall or other method that fairly divides insurance costs between facilities under this Agreement and other facilities covered under the same corporate insurance policies)
3. Workers Compensation Insurance
4. Credit card percentage fee for transient-parker payment transactions (should cover all back-end costs, including costs related to maintaining PCI-DSS compliance)
5. Credit card percentage fee for monthly-parker payment transactions (should cover all back-end costs, including costs related to maintaining PCI-DSS compliance and monthly parker reporting)
6. Monthly cost for remote monitoring of Kezar Lot (Group A only)

The SFMTA intends to award this contract to the firms that it determines will provide the best overall program Services to the Agency. The SFMTA reserves the right to accept other than the lowest-priced offer.

V. Evaluation and Selection Criteria

A. Overall Evaluation Process

The evaluation process will consist of the phases specified below with the following allocation of points:

Evaluation Phase	**Maximum Points**
Screening of Minimum Qualifications	Pass/Fail
Written Proposal	**115**
a. Qualifications and Experience	35
a. Management Approach/Operational Plan	50
c. Maintenance Plan	10
d. Marketing Plan	10
e. Security and Safety Plan	10
Cost Proposal	**35**
Oral Interview/Reference Checks (if conducted)	**50**
TOTAL	**200**

B. Minimum Qualifications

The SFMTA will review each Proposal to determine whether the Proposer meets the Minimum Qualifications (MQs) stated below. Proposals will not be scored during the review of the MQs; this screening is simply a pass or fail determination. A Proposal that fails to meet the MQs will not be eligible for consideration in the evaluation process. The SFMTA reserves the right to request clarifications from Proposers prior to rejecting a Proposal for failure to meet the minimum qualifications. Clarifications are limited exchanges between the SFMTA and the Proposer for the purpose of clarifying certain aspects of the Proposal and will not provide a Proposer the opportunity to revise or modify its Proposal. Only Proposals that meet the MQs can proceed to the next evaluation phases.

A Proposer must meet the minimum experience, expertise, and staff requirements stated below:

A. Qualifications and Experience

1. The Proposer must currently be managing at least 10 parking facilities, with a minimum of 200 spaces at each location, one of which must be a multi-level structure. The qualifying facilities must have been under the Proposer's management for a continuous period of three years prior to the date of this RFP; and
2. The Proposer must have a minimum of three years of continuous, first-hand experience in the operation and management of parking facilities with an:
    a. Annual Net Revenue (Gross revenue minus parking tax, if any) of a least $10,000,000 from all facilities under its management; and
    b. Annual Operating Budget of at least $4,000,000; and
3. During said three-year period, the Proposer must have had:
    a. experience in the use of automated pay station, automated parking access, and revenue control equipment and software, including such functions as sophisticated spreadsheet and information retrieval and report writing, etc.;
    b. experience as Merchant of Record for garage operations similar in size and scope to that described in this RFP, including having provided client(s) with Attestation of Compliance reports prepared by a third-party Qualified Security Assessor (QSA) indicating PCI-DSS compliance of Manager's systems;
    b. experience with additional business software including, but not limited to, Microsoft's Word, Excel and PowerPoint, and other financial reporting software;
    c. experience in managing at least 25 full-time operation employees at parking facilities that were staffed and open to the public at a minimum of twelve (12) hours per day; and
    d. experience in daily valet parking operations and shuttle Services from a parking facility to event venues.

Any Proposal that does not demonstrate that the Proposer meets these MQs by the deadline for submittal of Proposals may be deemed non-responsive.

C. Selection Criteria

An Evaluation Committee comprised of parties with expertise in parking facility operations and management, accounting, and facility maintenance will evaluate Proposals, using the criteria described below.

1. Written Proposal (115 points)

a. *Qualifications and Experience (35 Points max.)* - The Proposer will be scored on experience in the parking operation and management field, and specifically in operations with similar financing, ownership and operational requirements. This will include evaluation of the qualifications and experience of specific team members identified in the proposal.

b. *Management Approach/Operational Plan (50 Points max.)* – The Proposer will be scored based on its success in presenting a plan that demonstrates a comprehensive understanding of the operating environment, the capabilities of the new PARCS technology, and the specific challenges of operating *municipally* owned parking facilities in San Francisco. The SFMTA will place emphasis on the Proposer's suggested means of cutting costs and past successful examples of cost-cutting programs and methods as well as suggested means of increasing revenue. Five (5) additional points can be earned for each garage Proposer confirms will be managed by a Certified Local Business Enterprise (LBE). A total of 15 points maximum is possible. Note: Proposers cannot apply participation by parking garage management LBEs listed for additional evaluation points toward the LBE subcontracting participation requirement.

c. *Maintenance Plan (10 Points max.)* - The Proposer's Maintenance Plan will be evaluated based upon its overall strength, coherence, and probable success in maintaining first-class, clean, well-maintained and fully operational parking facilities at the lowest possible cost. The Maintenance Plan should also demonstrate knowledge of and conformance to the SFMTA's maintenance expectations, as set forth in the Agreement. Finally, the Maintenance Plan will be evaluated based upon how well it satisfies the needs of the parking facilities.

d. *Marketing/Collaboration Plan (10 Points max.)* - The Marketing/Collaboration Plan will be evaluated based on how well it will promote the parking facilities, increase revenues, and respond to the garage stakeholder needs in a cost-effective manner. Creativity and innovation will be considered favorably, as will past examples of the Proposer's marketing/collaboration successes.

e. *Security and Safety Plan (10 Point max.)* - The Security and Safety Plan will be evaluated in terms of the safety of customers, employees, vehicles, facility equipment, data security/recovery, and the integrity of cash handling and credit-card processing procedures. Scoring will include considerations of the Proposer's ingenuity and originality in developing methods that will increase overall security and safety, at the lowest possible cost without compromising best practices. The Security and Safety Plan should also demonstrate an acute understanding of the needs of customers and the parking facilities, as well as flexibility in responding to new and unexpected situations, if and when they arise.

2. Cost Proposal (35 points)

The Proposal with the lowest total Cost Proposal will receive the maximum 35 points. Each of the other Proposer's Cost Proposals will be scored by dividing the lowest fee Proposal by each Proposer's respective Cost Proposal, and then multiplied by 35, then combined with the results from each section to arrive at the total number of points assigned to the Proposal.

The following illustration as an example of how the SFMTA will score the cost elements of the Proposals:

Proposer	Proposed Total Cost	Calculation of Points	Points Assigned
Proposer A	$100,000	Full 50 points	35
Proposer B	$120,000	$100,000 divided by $120,000 multiplied by 50	29.2
Proposer C	$150,000	$100,000 divided by $150,000 multiplied by 50	23.3

3. Oral Interview (50 points)

Following the evaluation of the written Proposals, the Proposers that are within the competitive range of points (that is, Proposers whose Proposals have a reasonable chance of being ranked within the top two based on the scores of the written Proposals) may be interviewed by the Evaluation Committee to make the final selection. The interview will consist of standard questions asked of each Proposer and may include specific questions of individual Proposers intended to clarify their written Proposals. The Evaluation Committee panel will score each Proposer based on the Proposer team's presentation and/or responses. The SFMTA will check references for those Proposers selected to be interviewed.

After the oral interview, the SFMTA will combine all scores, rank the Proposers and select the two highest-ranked Proposers to commence contract negotiations.

VI. Pre-Proposal Conference and Contract Award

A. Pre-Proposal Conference

The SFMTA encourages Proposers to attend a virtual Pre-Proposal Conference via Skype on 2/2/22, at 11:00am PT. The SFMTA will address Proposers' questions and will provide any new or additional information concerning the RFP or selection process at the Pre-Proposal Conference.

To attend the meeting, Proposer can either click the "Join" link below and/or call the phone number and enter the Conference ID.

Microsoft Teams meeting

Join on your computer or mobile app

Click here to join the meeting

Or call in (audio only)

+1 415-915-0757,,658901543# United States, San Francisco

Phone Conference ID: 658 901 543#

Find a local number | Reset PIN

Learn More | Meeting options

For the Pre-Proposal Conference, Proposers are encouraged to submit questions in writing by email no later than 1/28/22, at 12:00pm PT and directed to: Sheila.Layton@SFMTA.com.

Proposers are further encouraged to provide the following information to Sheila.Layton@SFMTA.com to register for the Pre-Proposal Conference and have their information listed on the virtual sign-up list.

1. Attendee Name
2. Organization Name
3. Organization's Business Address
4. E-Mail/Phone Contact Information
5. Indicate if your firm is a Local Business Organization (LBE)
6. Indicate if your firm is interested in presenting a proposal as a Prime Contractor, Subcontractor or both.

Proposers shall submit all other questions concerning this Request for Proposals in writing by email only during the question-and-answer period, ending 2/9/22, no later than 12:00pm Pacific Time and directed to: Sheila.Layton@SFMTA.com.

Please include "SFMTA-2021-64" in the subject line of your email.

Questions and answers will be posted publicly.

The Pre-Proposal Conference will begin at the time specified, and company representatives are urged to arrive on time. Topics already covered will not be repeated for the benefit of late arrivals. Failure to attend the Pre-Proposal Conference shall not excuse the selected Manager(s) from any obligations of the Contract. Written Addenda will execute any change or addition to the requirements contained in this RFP, as a result of the Pre-Proposal Conference (see Section VI.D below).

It is the responsibility of the Proposer to check for any Addenda, Q&A postings, and other updates, which will be posted on the San Francisco City Partner website: https://sfcitypartner.sfgov.org/pages/index.aspx.

B. Contract Award

The SFMTA will evaluate and rank Proposals as described herein, and intends to invite the highest-ranked Proposer to commence contract negotiations. The Agency's ranking of any Proposal or invitation to any Proposer to negotiate a contract shall not imply acceptance by the SFMTA of all terms of the Proposal, which are subject to further negotiations and approvals before the SFMTA may be legally bound thereby. If a satisfactory contract cannot be negotiated in a reasonable time with a Proposer, then the SFMTA, in its sole discretion, may terminate negotiations with that Proposer and begin contract negotiations with the next highest-ranked Proposer.

The selected Proposers will be required to work in good faith with the SFMTA Contract Compliance Office (CCO) to identify maintenance LBE subcontracting opportunities in maintenance services .

VII. Terms and Conditions for Receipt of Proposals

A. Errors and Omissions in RFP

Proposers are responsible for reviewing all parts of this RFP and complying with all Proposal submission requirements. Proposers must promptly notify the SFMTA, in writing, if the Proposer discovers any ambiguity, discrepancy, omission, or other error in the RFP. Any such notification shall be directed to the SFMTA promptly after discovery, but in no event later than five working days prior to the date for receipt of Proposals. The SFMTA will issue modifications and clarifications to the RFP as Addenda as provided below.

B. Inquiries Regarding RFP

All communications regarding the RFP must be directed in writing to:

Sheila.Layton@SFMTA.com.

Please include "SFMTA-2021-64" in the subject line of your email.

C. Objections to RFP Terms

If a Proposer objects on any ground to any provision or legal requirement of the RFP, the Proposer must, not more than 10 days after the RFP is issued, provide written notice to the SFMTA setting forth with specificity the grounds for the objection and all relevant facts. The failure of a Proposer to object in the manner set forth in this paragraph shall constitute a complete and irrevocable waiver of any such objection.

D. Addenda

The SFMTA may modify the RFP prior to the Proposal due date by issuing Addenda, which will be posted on the San Francisco City Partner website: https://sfcitypartner.sfgov.org/pages/index.aspx.

The Proposer is responsible for ensuring that its Proposal reflects any and all Addenda issued by the SFMTA prior to the Proposal due date, regardless of when the Proposal is submitted. Therefore, the SFMTA recommends that the Proposer consult the San Francisco City Partner website frequently, including shortly before the Proposal due date, to confirm that the Proposer is aware of, and its Proposal is responsive to, all Addenda.

E. Term of Proposal

By submitting a Proposal, a Proposer warrants that the price stated and personnel proposed to perform the Services described in the RFP are valid for 180 calendar days from the Proposal due date, and that the quoted prices are genuine and not the result of collusion or any other anti-competitive activity.

F. Revision of Proposal

A Proposer may revise its Proposal at any time before the deadline for submission of Proposals. The Proposer must submit a revised Proposal in the same manner as the original. A revised Proposal must be received on or before the Proposal due date.

In no case will a statement of intent to submit a revised Proposal, or commencement of a revision process, extend the Proposal due date for any Proposer.

At any time during the Proposal evaluation process, the SFMTA may require a Proposer to provide oral or written clarification of its Proposal. The SFMTA reserves the right to make an award without requesting such further clarification.

G. Errors and Omissions in Proposal

Failure by the SFMTA to object to an error, omission, or deviation in the Proposal will in no way modify the RFP or excuse the selected Proposer from full compliance with the specifications of the RFP or any contract awarded pursuant to the RFP.

H. Financial Responsibility

The SFMTA shall have no financial responsibility for any costs incurred by a firm in responding to this RFP. Submitted Proposals are the property of the SFMTA and may be used by the SFMTA in any way it deems appropriate.

I. Proposer's Obligations under the Campaign Reform Ordinance

Proposers must comply with Section 1.126 of the S.F. Campaign and Governmental Conduct Code, which states:

> No person who contracts with the City and County of San Francisco for the rendition of personal Services, for the furnishing of any material, supplies or equipment to the City, or for selling any land or building to the City, whenever such transaction would require approval by a City elective officer, or the board on which that City elective officer serves, shall make any contribution to such an officer, or candidates for such an office, or committee controlled by such officer or candidate at any time between commencement of negotiations and the later of either (1) the termination of negotiations for such contract, or (2) three months have elapsed from the date the contract is approved by the City elective officer or the board on which that City elective officer serves.

If a Proposer is negotiating for a contract that must be approved by an elected local officer or the board on which that officer serves, during the negotiation period the Proposer is prohibited from making contributions to:

- the officer's re-election campaign
- a candidate for that officer's office
- a committee controlled by the officer or candidate.

The negotiation period begins with the first point of contact, either by telephone, in person, or in writing, when a contractor approaches any city officer or employee about a particular contract, or a city officer or employee initiates communication with a potential contractor about a contract. The negotiation period ends when a contract is awarded or not awarded to the contractor. Examples of initial contacts include: (1) a Manager contacts a city officer or employee to promote himself or herself as a candidate for a contract; and (2) a city officer or employee contacts a contractor to propose that the contractor apply for a contract. Inquiries for information about a particular contract, requests for documents relating to a Request for Proposal, and requests to be placed on a mailing list do not constitute negotiations.

Violation of Section 1.126 may result in the following criminal, civil, or administrative penalties:

1. Criminal. Any person who knowingly or willfully violates section 1.126 is subject to a fine of up to $5,000 and a jail term of not more than six months, or both.
2. Civil. Any person who intentionally or negligently violates section 1.126 may be held liable in a civil action brought by the civil prosecutor for an amount up to $5,000.
3. Administrative. Any person who intentionally or negligently violates section 1.126 may be held liable in an administrative proceeding before the Ethics Commission held pursuant to the Charter for an amount up to $5,000 for each violation.

For further information, Proposers shall contact the San Francisco Ethics Commission at (415) 581-2300.

J. Communications Prior to Contract Award

It is the policy of the SFMTA that only SFMTA staff identified in the RFP as contacts for this competitive solicitation are authorized to respond to comments or inquiries from Proposers or potential Proposers seeking to influence the contractor selection process or the award of the contract. This prohibition extends from the date the RFP is issued until the date when the contractor selection is finally approved by the SFMTA Board of Directors and, if required, by the San Francisco Board of Supervisors.

All firms and subcontractor(s) responding to this RFP are notified that they may not contact any SFMTA staff member, other than the person(s) identified in the RFP as the authorized contact, for the purpose of influencing the contractor selection process or the award of the contract from the date the RFP is issued to the date when the contract award is approved by the SFMTA Board of Directors and, if required, by the San Francisco Board of Supervisors. This prohibition does not apply to communications with SFMTA staff members regarding normal City business not regarding or related to this RFP.

Any written communications sent to one or more members of the SFMTA Board of Directors concerning a pending contract solicitation shall be distributed by the SFMTA to all members of the SFMTA Board of Directors and the designated staff contact person(s) identified in the RFP.

Except as expressly authorized in the RFP, where any person representing a Proposer or potential Proposer contacts any SFMTA staff for the purpose of influencing the content of the

competitive solicitation or the award of the contract between the date when the RFP is issued and the date when the final selection is approved by the SFMTA Board of Directors, and, if required, by the San Francisco Board of Supervisors, the Proposer or potential Proposer shall be disqualified from the selection process. However, a person who represents a Proposer or potential Proposer may contact City elected officials and may contact the Director of Transportation of the SFMTA if s/he is unable to reach the designated staff contact person(s) identified in the RFP or wishes to raise concerns about the competitive solicitation.

Additionally, the firms and subcontractor(s) responding to this RFP are prohibited from providing any gifts, meals, transportation, materials or supplies or any items of value or donations to or on behalf of any SFMTA staff member from the date the RFP is issued to the date when the contract award is approved by the SFMTA Board of Directors and if required, by the San Francisco Board of Supervisors.

All lobbyists or any agents representing the interests of a Proposer (including prime contractors and subcontractor(s)) are also subject to these prohibitions.

A Proposer must submit with its Proposal an executed Attestation of Compliance (see Appendix D) certifying compliance with these requirements. The Attestation of Compliance must be signed by all firms and subcontractor(s) named in the Proposal. A Proposal that does not include the executed Attestation of Compliance as required by this section will be deemed non-responsive and will not be evaluated. Any Proposer who violates the prohibitions of this section, directly or through an agent, lobbyist or subcontractor, will be disqualified from the selection process.

K. Sunshine Ordinance

In accordance with S.F. Administrative Code Section 67.24(e), proposals and bids, all other documents submitted with the Proposal, and records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information that a Proposer provides that is covered by this section will be made available to the public upon request.

L. Public Access to Meetings and Records

If a Proposer receives a cumulative total per year of at least $250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the S.F. Administrative Code, the Proposer must comply with Chapter 12L. The Proposer must include in its Proposal (1) a statement describing its efforts to comply with the Chapter 12L provisions regarding public access to Proposer's meetings and records, and (2) a summary of all complaints concerning the Proposer's compliance with Chapter 12L that were filed with the City in the last two years and deemed by the City to be substantiated. The summary shall also describe the disposition of each complaint. If no such complaints were filed, the Proposer shall include a statement to that effect. Failure to comply with the reporting requirements of Chapter 12L or material misrepresentation in Proposer's Chapter 12L submissions shall be grounds for rejection

of the Proposal and/or termination of any subsequent Agreement reached on the basis of the Proposal.

M. Reservations of Rights by the City

The issuance of this RFP does not constitute an agreement by the City that any contract will be awarded by the City. The City expressly reserves the right at any time to:

1. Waive or correct any defect or informality in any response, Proposal, or selection process;
2. Reject any Proposal or all Proposals;
3. Reissue a Request for Proposals;
4. Prior to submission deadline for Proposals, modify all or any portion of the selection procedures, including deadlines for accepting responses, the specifications or requirements for any materials, equipment or Services to be provided under this RFP, or the requirements for contents or format of the Proposals;
5. Procure any materials, equipment or Services specified in this RFP by any other means; or
6. Determine that no project will be pursued.

In submitting a Proposal, a Proposer acknowledges and agrees that the City shall not be liable for any costs or other damages incurred by a Proposer if the City determines not to award a contract, rejects any or all Proposals, or exercises any of the reserved rights described herein.

N. No Waiver

No waiver by the SFMTA of any provision of this RFP shall be implied from any failure by the SFMTA to recognize or take action on account of any failure by a Proposer to observe any provision of this RFP.

O. Local Business Enterprise Requirements

The requirements of the Local Business Enterprise and Non-Discrimination in Contracting Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance") shall apply to this RFP.

1. LBE Subcontracting Participation

The LBE subcontracting participation requirement for this contract is 16 percent for Group A and 12 percent for Group B of the total value of the reimbursable expenses for each group. The LBE subcontracting requirements shall also apply to any Additional Services authorized after issuance of the Notice to Proceed. Proposers are advised that they may not discriminate in the selection of subcontractors on the basis of race, gender, or other basis prohibited by law, and that they shall undertake all required good faith outreach steps in such a manner as to ensure that

neither Minority Business Enterprises (MBEs), Woman Business Enterprises (WBEs) and Other Business Enterprises (OBEs) are unfairly or arbitrarily excluded from the required outreach.

Each Proposer shall demonstrate, in its Proposal, that it either: 1) qualifies for the good faith efforts exception set forth in Section 14B.8(B) by demonstrating that it exceeds the established LBE subcontracting participation requirement by 35 percent or more, or 2) meets the established LBE subcontracting participation requirement AND used good-faith outreach to select LBE subcontractors as set forth in S.F. Administrative Code Chapter 14B Section 14B.8 and 14B.9. For each LBE identified as a subcontractor, the Proposal must specify the value of the participation as a percentage of the total value of the contract (that is, the total value of the goods and/or Services to be procured, the type of work to be performed), and such other information as may reasonably be required to determine the responsiveness of the Proposal. LBEs identified as subcontractors must be certified with the Contract Monitoring Division as Small or Micro-LBEs at the time the Proposal is submitted, and must be contacted by the Proposer (prime contractor) prior to listing them as subcontractors in the Proposal. If a Proposer does not demonstrate in its Proposal that it exceeds the established LBE subcontracting participation requirement by at least 35 percent, such Proposer must meet the established LBE subcontracting participation requirement AND demonstrate adequate good faith efforts to meet the LBE subcontracting participation requirement. **Any Proposal that does not meet the requirements of this section will be deemed non-responsive.**

a. Documentation of Good Faith Outreach Efforts

In addition to demonstrating that it will achieve the level of subconsulting participation required under this RFP (but except if a Proposer exceeds the LBE subconsulting participation requirement by 35 percent or more), a Proposer shall also undertake and document in its submittal the good faith efforts required by Chapter 14B.8(C) & (D) and CMD Attachment 2, Requirements for Architecture, Engineering and Professional Services Contracts.

Proposals that do not comply with the material requirements of S.F. Administrative Code Section 14B.8 and 14B.9, CMD Attachment 2 and this RFP will be deemed non-responsive and will be rejected. During the term of the contract, any failure to comply with the level of LBE subcontractor participation specified in the contract shall be deemed a material breach of contract. Subcontracting goals can only be met with CMD-certified Small and/or Micro-LBEs located in San Francisco.

2. CMD Forms to be Submitted with Proposal

a. A Proposal must include the following Contract Monitoring Division (CMD) Forms contained in the CMD Attachment 2: 1) CMD Contract Participation Form, 2) "Good Faith Outreach" Requirements Form, 3) CMD Non-Discrimination Affidavit, and 4) CMD Employment Form. If these forms are not submitted with the Proposal, the Proposal may be determined to be non-responsive and rejected.

b. A Proposer must submit one electronic copy of the above forms with its Proposal as a separate electronic file on the media that contains the Proposal (see Section III.A).

If Proposer has any questions concerning the CMD Forms, Proposers may contact Todd Senigar, SFMTA Contract Compliance Office at 415-646-2013 or Todd.Senigar@sfmta.com.

P. Employment Non-Discrimination and Economically Disadvantaged Workforce Hiring Provisions

1. General

As a material condition of contract award, the Proposer and its subcontractors agree to comply with the nondiscrimination in employment provisions required by Chapter 12B of the Administrative Code and the hiring of economically disadvantaged persons, as required by the City's First Source Hiring Program, Chapter 83 of the Administrative Code.

2. Nondiscrimination Provisions

As a material condition of the contract, the selected Proposer represents and agrees that:

a. It does and will not, during the term of the contract or any contract amendment, discriminate in the provision of benefits between its employees with spouses and employees with domestic partners.

b. The selected Proposer and its subcontractors on this contract will not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or AIDS/HIV status, weight, height, or association with members of classes protected under this chapter or in retaliation for opposition to any practices forbidden under this chapter. Discrimination on the basis of sex includes sexual harassment as defined in Section 16.9-25(b) of the Code. The consultant, contractor or subconsultant/subcontractor will take action to ensure that applicants are employed, and that employees are treated equally during employment, without regard to the fact or perception of their race, color, creed, religion, ancestry, national origin, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height, or AIDS/HIV status. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship.

3. Non-Compliance with Chapter 12B Prior to Contract Award

As a material condition for award of the contract, the selected Proposer and its subcontractors must be in compliance with the nondiscrimination provisions of Chapter 12B, on all existing City contracts prior to award of this contract. The SFMTA shall have the authority to review the selected Proposer's and subcontractors' prior performance to ensure compliance with the nondiscrimination provisions of Chapter 12B.

If the SFMTA determines that there is cause to believe that any contractor or subcontractor is not in compliance with the nondiscrimination provisions of Chapter 12B, the SFMTA will attempt to resolve the non-compliance through conciliation.

a. If the non-compliance cannot be resolved, the SFMTA will submit to the contractor or subcontractor a written Finding of Non-compliance.

b. The SFMTA will give the contractor or subcontractor an opportunity to appeal the Finding.

c. The SFMTA may, by written notice, stay the award of any contract to a Proposer where the Proposer or any subcontractor is the subject of an investigation for a violation of the City's non-discrimination ordinance(s).

4. Complaints of Discrimination after Contract Award

a. A complaint of discrimination in employment initiated by any party after contract award shall be processed in accordance with CCO procedures.

b. A finding of discrimination may result in imposition of appropriate sanctions, including:

(i) There may be deducted from the amount payable to the contractor or subcontractor under this contract a penalty of $50 for each person for each calendar day the person was discriminated against in violation of the provisions of the contract.

(ii) The contract may be canceled, terminated or suspended in part by the SFMTA.

(iii) The consultant, subconsultant or vendor (Manager) may be determined ineligible to perform work or supply products on any City contract for a period not to exceed two years.

Said sanctions are not the City's exclusive remedies, which may be imposed in combination with additional legal remedies, sanctions or penalties.

5. Trainees – SFMTA Employment Training Program

a. Trainee Requirements: Contractors shall comply with the City's First Source Program, Administrative Code Section 83(see Section V.E below), which fosters employment opportunities for economically disadvantaged individuals. Contractors must notify the First Source Program of all open, entry-level positions and consider all program referrals fairly and equally.

In addition, the SFMTA requires contractors to hire a minimum number of professional service trainees in the area of the contractor's expertise. These hires count toward the First Source Hiring requirements. Trainees may be obtained through the City's One Stop Employment Center, which works with various employment and job training agencies/organizations or other employment referral source.

Number of Trainees

Project Fees	To Be Hired
$0 – $499,999	0
$500,000 – $899,999	1
$900,000 – $1,999,999	2
$2,000,000 – $4,999,999	3
$5,000,000 – $7,999,999	4
$8,000,000 – $10,999,999	5
$11,000,000 – $13,999,999	6
(> = $14M, for each additional $3 million in contractor fees, add one additional trainee)	

b. The trainee must be hired by the contractor or by any subcontractor on the project team.

c. No trainee may be counted towards meeting more than one contract goal.

d. A trainee must meet qualifications for enrollment established under the City's First Source Hiring Program as follows:

(i) "Qualified" with reference to an economically disadvantaged individual shall mean an individual who meets the minimum bona fide occupational qualifications provided by the prospective employer to the San Francisco Workforce Development System in the job availability notices required by the Program, and

(ii) "Economically disadvantaged individual" shall mean an individual who is either: (1) eligible for Services under the Workforce Investment Act of 1988 (WIA) (29 U.S.C.A 2801 et seq.), as determined by the San Francisco Private Industry Council; or (2) designated "economically disadvantaged" for the First Source Hiring Administration, as an individual who is at risk of relying upon, or returning to, public assistance.

e. On-the-job training (to be provided by the contractor): The contractor shall hire the trainee on a full-time basis for at least 12 months or on a part-time basis for 24 months, with prior approval offering him/her on-the-job training which allows the trainee to progress on a career path.

f. Contractor shall submit for the City's approval a description and summary of training proposed for the trainee, along with the rate of pay for the position.

g. The trainee's commitment does not require that he/she is used only on this project; the trainee may also be used on other projects under contract to the Proposer that may be appropriate for the trainee's skill development.

VIII. Contract Requirements

A. Standard Contract Provisions

The selected Proposer will be required to enter into a contract substantially in the form of the Agreement for Professional Services, attached hereto as Appendix C. Failure to timely execute the contract, or to furnish any and all insurance certificates and policy endorsement, surety bonds or other materials required in the contract, shall be deemed an abandonment of a contract offer. The SFMTA, in its sole discretion, may select another firm and may proceed against the original selectee for damages.

B. Nondiscrimination in Contracts and Benefits

As a material requirement of the contract, the selected Proposer shall comply with Chapters 12B and 12C of the San Francisco Administrative Code. Generally, Chapter 12B prohibits the City and County of San Francisco from entering into contracts or leases with any entity that discriminates in the provision of benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of employees. The Chapter 12C requires nondiscrimination in contracts in public accommodation. Additional information on Chapters 12B and 12C is available on the CMD's website at: http://sfgsa.org/index.aspx?page=6058.

C. Minimum Compensation Ordinance (MCO)

As a material requirement of the contract, the selected Proposer shall comply with the Minimum Compensation Ordinance (MCO), as set forth in S.F. Administrative Code Chapter 12P. Generally, this Ordinance requires contractors to provide employees covered by the Ordinance who do work funded under the contract with hourly gross compensation and paid and unpaid time off that meet certain minimum requirements.

For additional information about the MCO, and for the amount of hourly gross compensation currently required under the MCO, see http://sfgov.org/olse/mco. Note that this hourly rate may increase on January 1 of each year and that contractors will be required to pay any such increases to covered employees during the term of the contract.

D. Health Care Accountability Ordinance (HCAO)

As a material requirement of the contract, the selected Proposer shall comply with the Health Care Accountability Ordinance (HCAO), as set forth in S.F. Administrative Code Chapter 12Q. Contractors shall consult the San Francisco Administrative Code to determine their compliance obligations under this chapter. Additional information regarding the HCAO is available on the web at http://sfgov.org/olse/hcao.

E. First Source Hiring Program (FSHP)

If the contract is for more than $50,000, then the City's First Source Hiring Program (Admin. Code Chapter 83) may apply. Generally, this ordinance requires contractors to notify

the First Source Hiring Program of available entry-level jobs and provide the Workforce Development System with the first opportunity to refer qualified individuals for employment.

Contractors are directed to consult the San Francisco Administrative Code to determine their compliance obligations under this chapter. Additional information regarding the FSHP is available on the web at http://oewd.org/first-source and from the First Source Hiring Administrator, business.Services@sfgov.org or call (415) 701-4848.

F. Conflicts of Interest

The selected Proposer must agree to comply fully with and be bound by the applicable provisions of state and local laws related to conflicts of interest, including Section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California. The selected Proposer will be required to acknowledge that it is familiar with these laws; certify that it does not know of any facts that constitute a violation of said provisions; and agree to immediately notify the City if it becomes aware of any such fact during the term of the Agreement.

Individuals who will perform work for the SFMTA on behalf of the selected Proposer might be deemed "contractors" under state and local conflict of interest laws. If so, such individuals will be required to submit a Statement of Economic Interests, California Fair Political Practices Commission Form 700, to the City within 10 days of the SFMTA's notice of award of the contract.

G. Prevailing Wage and Employee Retention

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

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

IX. Protest Procedures

A. Protest of Non-Responsiveness Determination

Within five working days of the SFMTA's issuance of a notice of non-responsiveness, any Proposer that believes the SFMTA has incorrectly determined that its Proposal is non-responsive may submit a written notice of protest. Such notice of protest must be received by the SFMTA on or before the fifth working day following the SFMTA's issuance of the notice of non-responsiveness. The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the Proposer, and must cite the law, rule, local ordinance, procedure or RFP provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the SFMTA to determine the validity of the protest.

The SFMTA reserves the right to proceed with its selection process to evaluate responsive Proposals pending the Agency's determination of the validity of a protest.

B. Protest of Non-Responsible Determination

Within five working days of the SFMTA's issuance of a notice of a determination of non-responsibility, a Proposer that would otherwise be the lowest responsive Proposer may submit a written notice of protest. The Proposer will be notified of any evidence reflecting upon their responsibility received from others or adduced as a result of independent investigation. The Proposer will be afforded an opportunity to rebut such adverse evidence, and will be permitted to present evidence that they are qualified to perform the contract. Such notice of protest must be received by the SFMTA on or before the fifth working day following the SFMTA's issuance of the notice of non-responsibility. The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the Proposer, and must cite the law, rule, local ordinance, procedure or RFP provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest.

C. Protest of Contract Award

Within five working days of the SFMTA's issuance of a notice of intent to award the contract, any firm that has submitted a responsive Proposal and believes that the SFMTA has incorrectly selected another Proposer for award may submit a written notice of protest. Such notice of protest must be received by the SFMTA on or before the fifth working day after the SFMTA's issuance of the notice of intent to award.

The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the Proposer, and must cite the law, rule, local ordinance, procedure or RFP provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the SFMTA to determine the validity of the protest.

The SFMTA reserves the right to proceed in contract negotiation with the selected Proposer pending the Agency's determination of the validity of a protest.

D. Delivery of Protests

All protests must be received by the due date. A protestor bears the risk of non-delivery within the deadlines specified herein. Protests or notice of protests made orally (e.g., by telephone) will not be considered. Protests must be delivered via email to:

Sheila.Layton@SFMTA.com

Appendix A

City and County of San Francisco

Contract Monitoring Division

CMD Attachment 2

Requirements for Architecture, Engineering and Professional Services
Contracts, for contracts $55,000 and over

Appendix A is a separate file to be downloaded from the online posting for this RFP on the San Francisco City Partner website.

Proposer may access the website at the following link:

https://sfcitypartner.sfgov.org/pages/index.aspx

Appendix B
Standard Forms

The requirements described in this Appendix are separate from those described in Appendix A.

A. How to become Eligible to Do Business with the City

Before the City can award any contract to a contractor, all Managers must meet the minimum requirements described below. There may be additional requirements placed upon a Manager depending on the type of good or service to be purchased.

B. Mandatory Forms

At a minimum, in order to become eligible to do business with the City, a Manager must submit the following documents to the Manager File Support Division via the San Francisco City Partner website located at https://sfcitypartner.sfgov.org/.

1. Manager Application Packet (includes *New Manager Number Request Form* and *IRS Form W-9*)
2. CCSF Vendor - Business Registration (Electronic Submission - Proposer must have a vendor number to complete)
3. CMD 12B-101 Declaration of Nondiscrimination in Contracts and Benefits

C. Vendor Eligibility and Invoice Payment

Managers must have a City-issued vendor number, have all compliance paperwork submitted and approved by the City, and have an executed contract or purchase order before payments can be made. Once a vendor number has been assigned, an e-mail notification will be provided by the City's Vendor File Support Division. This notification will include instructions on how to sign up to receive payments through the San Francisco City Partner website located at https://sfcitypartner.sfgov.org/.

D. Vendor Eligibility Forms

Form	Purpose/Info	Routing
CCSF Vendor - Business Registration (Electronic Submission - you must have a vendor number to complete)	This declaration is required for city vendors to determine if you are required to obtain a Business Registration Certificate.	https://sfcitypartner.sfgov.org/
Declaration of Nondiscrimination in Contracts and Benefits *with supporting*	This Declaration is used by the City's Contract Monitoring Division to determine if a vendor offers benefits to employees. When a vendor offers	https://sfcitypartner.sfgov.org/

documentation (Form CMD-12B-101)	benefits, it must be verified that all benefits, including insurance plans and leaves, are offered equally to employees with spouses and employees with domestic partners. For more information and assistance, please visit the City Administrator's Contract Monitoring Division Equal Benefits web page**.**	
Vendor Profile Application	Includes New Vendor Number Request Form and IRS Form W-9.	https://sfcitypartner.sfgov.org/

E. Supplemental Forms

Form:	**Required If:**
Minimum Compensation Ordinance (MCO) Declaration (pdf)	You have at least $25,000 ($50,000 for non-profit organizations) in cumulative annual business with a City department or departments and have more than 5 employees, including employees of any parent, subsidiaries and subcontractors.
Health Care Accountability Ordinance (HCAO) Declaration (pdf)	You have at least $25,000 ($50,000 for non-profit organizations) in cumulative annual business with a City department or departments and have more than 20 employees (more than 50 employees for nonprofit organizations), including employees of any parent, subsidiaries or subcontractors.
Insurance Requirements (pdf)	The solicitation requires the selected Proposer to provide certificates of insurance and brokers endorsements.
Payment (Labor and Material) Bond (pdf)	The solicitation requires the awarded Manager to post a Payment (Labor and Material) bond.
Performance Bond (pdf)	The solicitation requires the awarded Manager to post a Performance bond.
Local Business Enterprise Program Application (Contract Monitoring Division)	Proposer desires to participate in the City's Local Business Enterprise Program which helps certain financially disadvantaged businesses increase their ability to compete effectively for City contracts

For further guidance, refer to the City's supplier training videos that are located online at: https://sfcitypartner.sfgov.org/ .

Appendix C

Sample Agreement for Professional Services (Form P-600)

Appendix C is a separate file to be downloaded from the online posting for this RFP on the San Francisco City Partner website.

Proposer may access the website at the following link:

https://sfcitypartner.sfgov.org/pages/index.aspx

Appendix D

Attestation of Compliance

To be completed by all Proposing Firms and All Individual Subcontractors

(Please check each box, sign this form and submit it with your response.)

Name of individual completing this form: _____

The form is submitted on behalf of firm: _____

Name of RFP: **SFMTA-2021-64**

1. I attest that I and all members of the firm listed above will and have complied to date with Section "VI.J" of the above RFP. ☐Yes

2. I understand that if my firm or any members of the firm listed above are found to be in violation of Section "VI.J" of the above RFP, this will disqualify my firm and any Proposal in which my firm is named from further consideration. ☐Yes

I have entered required responses to the above questions to the best of my knowledge and belief.

Signature: _____

Date: _____

Appendix E

To be completed by all Proposing Firms and All Individual Subcontractors

Certification Regarding Debarment, Suspension, and Other Responsibility Matters

By signing and submitting its Proposal, the Proposer or proposed subcontractor certifies as follows:

(1) _____
(Proposer or Proposed Subcontractor Business Name)

certifies to the best of its knowledge and belief that it and its principals:

a. Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from contracting with any federal, state or local governmental department or agency;

b. Have not within a three-year period preceding the date of this Proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract; violation of federal or state antitrust statues or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)b of this certification; and

d. Have not within a three-year period preceding the date of this Proposal had one or more public contracts (federal, state, or local) terminated for cause or default.

(2) Where the firm executing this RFP Appendix E is unable to certify to any of the statements in this certification, such firm shall attach a detailed explanation of facts that prevent such certification.

(3) The certification in this clause is a material representation on fact relied upon by the San Francisco Municipal Transportation Agency (SFMTA).

As the authorized certifying official, I certify that the above-specified certifications are true.

_____
Business Name

_____ _____
Authorized Representative Name (print) Authorized Representative Title (print)

_____ _____
Authorized Representative Signature Date

Appendix F

To be completed by all Proposing Firms and All Individual Subcontractors

Certification Regarding Lobbying

_____

(Proposer or Proposed Subcontractor Business Name)

Certifies that it will not and has not paid any person or organization for influencing or attempting to influence a member of the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors, or an officer or employee of the SFMTA in connection with the contract to be awarded pursuant to this Request for Proposals (RFP), except as expressly authorized in this RFP. The Proposer or proposed subcontractor submitting this certification shall also disclose the name of any lobbyist registered under Article II of the San Francisco Campaign and Governmental Conduct Code who has made lobbying contacts on its behalf with respect to the contract to be awarded pursuant to this RFP.

This certification is a material representation of fact upon which reliance was placed for the purposes of the SFMTA's evaluation of Proposals and award of a contract pursuant to the RFP. Submission of this certification is a prerequisite for submitting a Proposal responsive to the RFP.

Following submission of Proposals with this signed certification, any firm who 1) pays any person or organization for influencing or attempting to influence a member of the SFMTA Board of Directors, or an officer or employee of the SFMTA in connection with the contract to be awarded pursuant to this RFP, except as expressly authorized in the RFP, 2) fails to disclose the name of any lobbyist registered under Article II of the San Francisco Campaign and Governmental Conduct Code who has made lobbying contacts on its behalf with respect to the contract to be awarded pursuant to this RFP, or 3) pays or agrees to pay to any SFMTA employee or official or to any member of the selection panel or other person involved in the making of the contract on behalf of the SFMTA any fee or commission, or any other thing of value contingent on the award of a contract, will disqualify any Proposal in which that firm is named as a prime contractor, joint venture partner or subcontractor from the selection process.

By signing and submitting its Proposal, the Proposer or proposed subcontractor also certifies to the SFMTA that the Proposer or proposed subcontractor has not paid, nor agreed to pay, and will not pay or agree to pay, any fee or commission, or any other thing of value contingent on the award of a contract to any SFMTA employee or official or to any member of the selection panel or other person involved in the making of the contract on behalf of the SFMTA. As the authorized certifying official, I certify that the above-specified certifications are true.

Business Name

Authorized Representative Name (print)

Authorized Representative Title (print)

Authorized Representative Signature

Date

Appendix G

To be completed by all Proposing Firms and Submitted as a Separate Electronic File;
Do Not Include the Fee or Cost Proposal in Your Main Proposal Document File

Cost Proposal

Cost Item	Year 1	Year 2	Year 3	Year 4	Year 5
A. Management Salaries					
Portfolio Manager					
Asst. Portfolio Manager					
Asst. Portfolio Manager					
Asst. Portfolio Manager					
Asst. Portfolio Manager					
B. Management Health & Welfare					
Portfolio Manager					
Asst. Portfolio Manager					
Asst. Portfolio Manager					
Asst. Portfolio Manager					
Asst. Portfolio Manager					
C. Other Fees					
Insurance Premiums (in $ per self-park stall)					
Worker's Compensation rate					
% fee for transient credit card transactions (should cover all back-end costs, including costs related to maintaining PCI-DSS compliance)					
% fee for monthly parker credit card transactions (should cover all back-end costs, including costs related to maintaining PCI-DSS compliance and monthly parker reporting)					
Monthly cost for remote monitoring of Kezar Lot (Group A only)					

Cost Item	Year 1	Year 2	Year 3	Year 4	Year 5

Appendix H

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

A. Group A Garages

1. Ellis O'Farrell Garage:

Ellis O'Farrell Garage is a multi-level public parking structure with 950 spaces located at 123 O'Farrell Street in the Union Square District of San Francisco. Beginning at a point on the northerly line of Ellis Street, distance thereon 137 feet and 6 inches westerly from the westerly line of Stockton street; running thence westerly along said line of Ellis Street 137 feet and 6 inches, more or less, thence at a right angle northerly 137 feet and 6 inches; thence at a right angle easterly 30 feet, more or less, to a point perpendicularly distant westerly 245 feet from the westerly line of Stockton Street; thence at a right angle northerly 137 feet and 6 inches, more or less, to the southerly line of O'Farrell Street; thence at a right angle easterly along O'Farrell Street 107 feet and 6 inches to a point distant thereon 137 feet and 6 inches westerly from the westerly line of Stockton Street; thence at a right angle southerly 275 feet, more or less, to the point of beginning.

Being a portion of 50 Vera Block No. 144.

2. Fifth & Mission Garage

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

3. Kezar Lot

The Kezar Lot is a 107,440 square foot, 300 space surface parking lot located at Stanyan Street near Frederick Street at the east end of Golden Gate Park and adjacent to the Haight Street commercial corridor, more fully described below:

Beginning at a point on the westerly line of Stanyan Street, distance thereon 56.125' northwesterly from the northerly line of Frederick Street. Running thence northwesterly along the northerly property line of Block 1263 lot 1, 6, & 7, 260.541'; thence southerly along the westerly line of Block 1263 lot 7, 78.646'; thence westerly along the northerly line of Frederick Street 153' to the northeasterly intersection of Frederick and Willard Street; thence northerly along the easterly line of Willard Street and its northerly prolongation 328.75'; thence easterly and parallel with the northerly line of Beulah Street, 412.5' to a point in the westerly line of Stanyan Street; thence at a right angle westerly, 82.5'; thence at a right angle southerly, 129.5'; thence at a right angle easterly 82.5' to a point on the westerly line of Stanyan Street and the point of beginning.

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

5. Moscone Center Garage:
The Garage, built in 1980, is a seven-story and basement reinforced concrete structure containing approximately 255,444 square feet of parking area. The Garage can accommodate 732 vehicles in self-park spaces. At ground level along the Third Street and northerly frontages of the Garage there are several commercial storefronts, which comprise an additional 4,317 square feet of improved area.

The Garage is located at the northeast corner of Third and Clementina Streets, across Third Street from the Moscone Convention Center. The rectangular-shaped Garage property has a frontage of 190 feet along Third Street and contains approximately 40,655 square feet. The Garage address is 255 Third Street and is otherwise known as Lot 60, in Assessor's Block 3735.

6. 7th & Harrison Lot:
The surface parking lot is located at the southeast corner of 7th and Harrison streets, adjacent to the old Hall of Justice. The rectangular-shaped lot has a frontage of 102 feet along 7th Street and extends easterly 440 feet along Harrison Street and contains approximately 48,000 square feet. The lot address is 415 7th Street and is otherwise known as Lot 40, in Assessor's Block 3759.

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

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

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

8. 16th & Hoff Garage:

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

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

9. Union Square Garage

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

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

Being that block on land known as Union Square.

B. Group B Garages

1. Civic Center Garage:

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

2. Golden Gateway Garage:

Parcel 1: West Wing of Garage

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

Being a portion of 50 Vara Block 21 (Assessor's Block 205), as shown and delineated on that certain map entitled, "Record of Survey Map of the Golden Gateway," recorded September 29, 1961 in Book "T" of Maps, at pages 22, 23, and 24, in the office of the County recorder of said City and County, and a portion of Merchant Street vacated pursuant to Resolution 29-63 approved by the Board of Supervisors of the City and County of San Francisco on January 14, 1963, and recorded October 29, 1963, in Volume A-668 of Official Records at page 933.

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

3. Lombard Street Garage:

Commencing at a point on the southerly line of Lombard Street, distant thereon 87 feet, 6 inches westerly from the westerly line of Webster Street, and running thence westerly along said line of Lombard Street, 225 feet; thence at a right angle southerly 88 feet, 9 inches, to the northerly line of Moulton Street; thence at a right angle easterly along said line of Moulton Street, 225 feet; thence at a right angle northerly 88 feet, 9 inches to said southerly line of Lombard Street and the point of beginning; being Lot Nine in Assessor's Block 509 containing 19,969 square feet, more or less.

NOTE: The premises leased to the U.S. Postal Service also located on Lot Nine are not included in the Management Agreement.

Also known as Lot 63, Assessor's Block 3616.

4. North Beach Garage:

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

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

5. Performing Arts Garage:

Parcel 1:

Beginning at the point of intersection of the northerly line of Grove Street and the easterly line of Gough Street; running thence easterly along said line of Grove Street 330 feet to a point distant thereon 82 feet and 6 inches westerly from the westerly line of Franklin Street; thence at a right angle northerly 275 feet to the southerly line of Fulton Street; thence at a right angle westerly along said line of Fulton Street 27 feet and 6 inches; thence at a right angle southerly 137 feet and 6 inches to a line drawn parallel with and perpendicularly distant 137 feet and 6 inches northerly from the northerly line of Grove Street; thence at a right angle westerly along said parallel line so drawn 165 feet to a line drawn parallel with and perpendicularly distant 137 feet and 6 inches easterly from the easterly line of Gough Street; thence at a right angle southerly along last said parallel line so drawn 43 feet and 9 inches; thence at a right angle westerly 122.75 feet, more or less, to the most easterly corner of that certain parcel of land described in the Deed from Lillie Gunther, a widow, to the State of California; thence southwesterly along the southeasterly line of the land described in said Deed, along an arc or a curve to the left, with a radius of 6,946 feet, a central angle of 0° 13' 46", an arc distance of 27.82 feet to the easterly line of Gough Street; thence southerly along said line of Gough Street 70.19 feet to the point of beginning, containing 42,966 square feet, more or less.

Parcel 2:

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

preceding course and running northeasterly 51.711 feet to the true point of the beginning, containing 4,766 square feet, more or less.

Parcels 1 and 2 are also known as Lot 29 in Assessor's Block 792.

Note: The two adjacent commercial storefronts located on Grove Street are not included in this Management Agreement.

6. Pierce Street Garage:

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

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

7. Polk Bush Garage:

The Garage, built in 1991, is a five-story concrete/steel structure containing approximately 73,860 square feet of parking area. The Garage can accommodate 129 vehicles in self-park spaces. At ground level located along Grove Street of the Garage are commercial storefronts, which comprise an additional 3,700 square feet of improved area.

Beginning at the point of intersection of the southerly line of bush Street and the easterly line of Polk Street; running thence easterly along said line of Bush Street 86 feet 6 inches; thence at the right angle southerly 120 feet to the southerly line of Fern Street; thence at a right angle westerly along said line of Fern Street 86 feet 6 inches to the easterly line of Polk street; thence at a right angle northerly along said line of Polk Street 120 feet to the point of beginning.

Being a portion of Western Addition Block No. 14

8. Portsmouth Square Garage

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

9. St. Mary's Square Garage:

Parcel 1: St. Mary's Square

The subsurface within that certain public park commonly known and designated as "St. Mary's Square" more particularly described as follows, to wit:

Commencing at a point on the northerly line of Pine Street, distant along said northerly line or its projection 185 feet 5 inches westerly from the westerly line of Kearny Street; running thence northerly at right angles to the said northerly line of Pine Street 80 feet 6 inches; thence at a right angle westerly 3 feet; thence at a right angle northerly 57 feet; thence at a right angle easterly 2 feet 6 inches; thence at a right angle northerly 137 feet 6 inches to the southerly line of California Street; running thence westerly along said southerly line of California Street 125 feet to the easterly line Quincy Street; thence southerly along said easterly line of Quincy Street 275 feet to the northerly line of Pine Street; and running thence easterly along said northerly line of Pine Street 125 feet 6 inches to the point of commencement.

Being potion of 50 Vara Block No. 93.

and the subsurface, surface and above-surface of the following described parcel:

Parcel 2: St. Anne St. – Formerly St. Mary's Place

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

and the subsurface, surface and above-surface of the following described parcel:

Parcel 3:

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

68 feet 9 inches; and thence at a right angle southerly 137 feet 6 inches to the point of commencement.

Being a portion of 50 Vara Block No. 93.

Note: Parcels 1, 2 and 3 are commonly known as Lot 3 in Assessor's Block 258.

10. Sutter Stockton Garage

The Sutter Stockton Garage is a 745,000 square foot, 1,865 space surface parking lot located at 444 Stockton Street in San Francisco, more fully described below:

Beginning at the point of intersection of the northerly line of Sutter Street with the easterly line of Stockton Street; running thence easterly along said line of Sutter Street 275 feet; thence at a right angle northerly 126 feet to the southerly line of Harlan Place; thence at a right angle westerly along said line of Harlan Place 23 feet and 1-3/8 inches to a point distant thereon 130 feet and 10-5/8 inches westerly from the westerly line of Grant Avenue; thence northerly at a right angle to said line of Harlan Place 23 feet to the northerly line of said Harlan Place; thence continuing northerly 58 feet and 0-1/2 of an inch to a point which is perpendicularly distant 130 feet and 8-1/8 inches westerly from the westerly line of Grant Avenue and also perpendicularly distant 67 feet and 11-1/2 inches southerly from the southerly line of Bush Street; thence easterly parallel with said southerly line of Bush Street 23 feet and 2-1/8 inches; thence at a right angle northerly 67 feet and a 11-1/2 inches to the southerly line of Bush Street; thence at a right angle westerly along said line of Bush Street 137 feet and 6 inches to a point distant thereon 137 feet and 6 inches easterly from the easterly line of Stockton Street; thence southerly at a right angle to said line of Bush Street 137 feet and 6 inches; thence at a right angle westerly 137 feet and 6 inches to the easterly line of Stockton Street; thence at a right angle southerly along said line of Stockton Street 137 feet and 6 inches to the point of beginning.

Parcel 2: East Wing of Garage

Beginning at a point on the westerly line of Davis Street, distant thereon 17.50 feet southerly from the southerly line of Washington Street; running thence southerly along said westerly line of Davis Street 240 feet to a point distant thereon 17.50 feet northerly from the northerly line of Clay Street; thence at a right angle westerly, parallel to said northerly line of Clay Street 243.25 feet; thence at a right angle northerly 34.67 feet; thence at a right angle westerly 7.00 feet; thence at a right angle northerly 170.66 feet; thence at a right angle easterly 7.00 feet; thence at a right angle northerly 34.67 feet to a point perpendicularly distant 17.50 feet southerly from the southerly line of Washington Street and perpendicularly distant 243.25 feet westerly from the westerly line of Davis Street; thence at a right angle easterly parallel to said south line of Washington Street 243.25 feet to the Point of Beginning, lying below a horizontal plane at elevation 19.0 feet. Containing an area of 59,574.69 square feet, more or less.

Being a portion of 50 Vara Block 8 (Assessor's Block 204), as shown and delineated on that certain map entitled, "Record of Survey Map of the Golden Gateway," recorded

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

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

11. Vallejo Street Garage:

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

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

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

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

[Insert name of Contractor]

for

Management of Off-Street Parking Facilities

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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 _____]
Contract No. SFMTA _____

This Agreement is made as of _____, in San Francisco, California, by and between [name of Contractor, and corporate/business status (e.g., "ABC, Inc., a California corporation")] (Contractor), and the City and County of San Francisco City, a municipal corporation, acting by and through its Municipal Transportation Agency (SFMTA).

Recitals

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

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

C. The Local Business Enterprise (LBE) subcontracting participation requirement for this Agreement is sixteen percent (16%) for Group A Garages and twelve percent (12%) for Group B Garages

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

E. The City's Civil Service Commission approved Contract number [insert PSC number] on [insert date of Civil Service Commission action].

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

Now, THEREFORE, the parties agree as follows:

Article 1 Definitions

The following definitions apply to this Agreement. Where any word or phrase defined below, or a pronoun in place of the word or phrase, is used in any part of this Agreement, it shall have the meaning set forth below. In addition, for purposes of this Agreement, initially capitalized terms shall have the meaning ascribed to them in the Parking Facility Operation and Management Regulations ("Facility Regulations") issued by the SFMTA, the current form of which is appended as Appendix D, except that for the purposes of this Agreement, the terms listed below

shall have the following meanings

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

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

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

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

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

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

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

1.8 "**Contractor**" or "**Consultant**" or "Manager" means [insert name and address of contractor].

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

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

1.11 "**Deliverables**" means Contractor's work product resulting from the Services provided by Contractor to City during the course of Contractor's performance of the Agreement,

including without limitation, the work product described in the "Scope of Services" attached as Appendix A.

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

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

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

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

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

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

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

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

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

Article 2 Term and Nature of the Agreement

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

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

Article 3 Financial Matters

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

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

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

3.3 Compensation.

3.3.1 Calculation of Charges. Contractor shall provide an invoice to the SFMTA on a monthly basis for Services completed (including goods delivered, if any) in the immediately preceding month, unless a different schedule is set out in Appendix B (Calculation

of Charges). Compensation shall be made for goods and/or Services identified in the invoice that the Director of Transportation, or his or her designee, in his or her sole discretion, concludes have been satisfactorily performed. In no event shall the amount of this Agreement exceed [insert whole dollar amount in numbers and words -- no pennies and no ".00"]. The breakdown of charges associated with this Agreement appears in Appendix B. As described in Appendix B, the City may withhold a portion of payment as retainage until the conclusion of the Agreement if agreed to by both Parties. In no event shall City be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any Services covered by this Agreement.

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

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

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

3.3.5 Payment Terms.

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

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

3.3.7 Compensation and Reimbursement of Authorized Operating Expenses.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3.5.7 Reserved (Certified Payrolls).

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

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

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

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

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

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

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

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

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

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

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

3.5.16 Remedies. Should Contractor, or any subcontractor who shall undertake the performance of any Covered Services, fail or neglect to pay to the persons who perform Covered Services under this Contract, subcontract or other arrangement for the Covered Services, the general prevailing rate of wages as herein specified, Contractor shall forfeit, and in the case of any subcontractor so failing or neglecting to pay said wage, Contractor and the subcontractor shall jointly and severally forfeit, back wages due plus the penalties set forth in Administrative Code Section 6.22 (e) and/or California Labor Code Section 1775. When certifying any payment which may become due under the terms of this Agreement, the City will deduct from the amount that would otherwise be due on such payment the amount of said forfeiture.

Article 4 Services and Resources

4.1 Services Contractor Agrees to Perform. Contractor agrees to perform the Services stated in Appendix A (Scope of Services). Officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Services beyond the Scope of Services listed in Appendix A, unless Appendix A is modified as provided in Section 11.5 (Modification of this Agreement).

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

4.3 Subcontracting.

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

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

a. x

b. x

c. x

d. x

e. x

f. x.

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

4.4.1 Independent Contractor. For the purposes of this Section 4.4, "Contractor" shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor acknowledges and agrees that at all times, Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this Section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing in accordance with the requirements of this Agreement, City shall provide Contractor with written notice of such failure. Within five business days of Contractor's receipt of such notice, and in accordance with Contractor policy and procedure, Contractor shall remedy the deficiency. Notwithstanding, if City believes that an action of Contractor, or any

agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

4.4.2 Payment of Employment Taxes and Other Expenses. Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to this Section 4.4 shall be solely limited to the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from this Section.

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

4.6 Warranty. Contractor warrants to City that the Services will be performed with the degree of skill and care that is required by current, good and sound professional procedures and practices, and in conformance with generally accepted professional standards prevailing at

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

Article 5 Insurance and Indemnity

5.1 Insurance.

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

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

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

(c) Garage-keeper's legal liability insurance with limits not less than Ten Million Dollars ($10,000,000), for each occurrence combined single limit for loss and damage to vehicles in Manager's care, custody or control caused by fire, explosion, theft, riot,

civil commotion, malicious mischief, vandalism or collision or the amounts required by Police Code section per facility, whichever requirement is higher. Any deductible under any such policy shall not be a reimbursable expense.

(d) Technology Errors and Omissions Liability coverage, with limits of One Million Dollars ($1,000,000) for each claim and each loss. The policy shall at a minimum cover professional misconduct or lack of the requisite skill required for the performance of services defined in the Agreement and shall also provide coverage for the following risks:

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

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

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

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

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

5.1.2 Additional Insured Endorsements.

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

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

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

5.1.3 Waiver of Subrogation Endorsements.

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

5.1.4 Primary Insurance Endorsements.

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

(b) The Commercial Automobile Liability Insurance policy shall provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that the insurance applies separately to each insured against whom claim is made or suit is brought.

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

5.1.5 Other Insurance Requirements.

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

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

made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

(c) Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

(d) Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

(e) Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements from insurers with ratings comparable to A-, VIII or higher that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

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

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

by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

Separate and apart from and in addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter. Contractor's obligation to defend the City is not altered or impaired by any court's limitation to Contractor's obligations to indemnify the City.

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

Article 6 Liability of the Parties

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

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

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

6.4 No Hazardous Materials. Manager hereby covenants and agrees that neither Manager nor any of its Agents or Invitees shall cause or permit any Hazardous Material to be brought upon, kept, used, stored, generated or disposed of in, on or about the Facilities or the Land or transported to or from the Land or the Facilities, provided that Manager, its Agents

and Invitees may store and use such substances in the Facilities and on the Land in such limited amounts as are customarily used in a parking Facility so long as such storage and use is at all times in full compliance with all applicable Environmental Laws. Manager shall immediately notify the City if and when Manager learns or has reason to believe there has been any Release of Hazardous Material in, on or about the Land or the Facilities. The City may request Manager to provide information required for the City to determine whether any Hazardous Material permitted hereunder is being handled in compliance with all applicable Environmental Laws, and Manager shall promptly provide all such information.

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

Article 7 Payment of Taxes

7.1 Contractor to Pay All Taxes. Except for any applicable California sales and use taxes charged by Contractor to City, Contractor shall pay all taxes, including possessory interest

taxes levied upon or as a result of this Agreement, or the Services delivered pursuant hereto. Contractor shall remit to the State of California any sales or use taxes paid by City to Contractor under this Agreement. Contractor agrees to promptly provide information requested by the City to verify Contractor's compliance with any State requirements for reporting sales and use tax paid by City under this Agreement.

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

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

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

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

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

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

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

Article 8 Termination and Default

8.1 Termination for Convenience

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

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

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

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

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

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

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

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

8.1.3 Within 30 Days after the specified termination date, Contractor shall submit to the SFMTA an invoice, which shall set forth each of the following as a separate line item:

(a) The reasonable cost to Contractor, without profit, for all Services prior to the specified termination date, for which Services the SFMTA has not already tendered payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Contractor's direct costs for Services. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.

(b) A reasonable allowance for profit on the cost of the Services described in the immediately preceding subsection (a), provided that Contractor can establish, to the satisfaction of the SFMTA, that Contractor would have made a profit had all Services under this Agreement been completed, and provided further, that the profit allowed shall in no event exceed 5% of such cost.

(c) The reasonable cost to Contractor of handling material or equipment returned to the vendor, delivered to the SFMTA or otherwise disposed of as directed by the SFMTA.

(d) A deduction for the cost of materials to be retained by Contractor, amounts realized from the sale of materials and not otherwise recovered by or credited to the SFMTA, and any other appropriate credits to the SFMTA against the cost of the Services or other work.

8.1.4 In no event shall City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by the SFMTA, except for those costs specifically listed in Section 8.1.3. Such non-recoverable costs include, but are not limited to, anticipated profits on the Services under this Agreement, post-termination employee salaries, post-termination administrative expenses, post-termination overhead or unabsorbed overhead, attorneys' fees or other costs relating to the prosecution of a claim or lawsuit, prejudgment interest, or any other expense which is not reasonable or authorized under Section 8.1.3.

8.1.5 In arriving at the amount due to Contractor under this Section, the SFMTA may deduct: (i) all payments previously made by the SFMTA for Services covered by Contractor's final invoice; (ii) any claim which the SFMTA may have against Contractor in connection with this Agreement; (iii) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection 8.1.4; and (iv) in instances in which, in the opinion of the SFMTA, the cost of any Service performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected Services, the difference between the invoiced amount and the SFMTA's estimate of the reasonable cost of performing the invoiced Services in compliance with the requirements of this Agreement.

8.1.6 City's payment obligation under this Section 8 shall survive termination of this Agreement.

8.2 Termination for Default; Remedies.

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

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

3.5	Submitting False Claims
4.5	Assignment
Article 5	Insurance and Indemnity
Article 7	Payment of Taxes
10.11	Alcohol and Drug-Free Workplace
10.14	Working with Minors
11.10	Compliance with Laws
Article 13	Data and Security

(b) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, or in the appended Facility Regulations, including any obligation imposed by ordinance or statute and incorporated by reference herein, and such default is not cured within 10 days after written notice thereof from the SFMTA to Contractor. If Contractor defaults a second time in the same manner as a prior default cured by Contractor, the SFMTA may in its sole discretion immediately terminate the Agreement for default or grant an additional period not to exceed five days for Contractor to cure the default.

(c) Contractor (i) is generally not paying its debts as they become due; (ii) files, or consents by answer or otherwise to the filing against it of a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction; (iii) makes an assignment for the benefit of its creditors; (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Contractor or of any substantial part of Contractor's property; or (v) takes action for the purpose of any of the foregoing.

(d) A court or government authority enters an order (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Contractor.

8.2.2 On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement

or to seek specific performance of all or any part of this Agreement. In addition, where applicable, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor: (i) all damages, losses, costs or expenses incurred by City as a result of an Event of Default; and (ii) any liquidated damages levied upon Contractor pursuant to the terms of this Agreement; and (iii), any damages imposed by any ordinance or statute that is incorporated into this Agreement by reference, or into any other agreement with the City. This Section 8.2.2 shall survive termination of this Agreement.

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

8.2.4 Any notice of default must be sent to the address set forth in Article 11, and in the manner prescribed in Article 11.

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

8.4 Rights and Duties upon Termination or Expiration.

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

3.3.2	Payment Limited to Satisfactory Services
3.4	Audit and Inspection of Records
3.5	Submitting False Claims
Article 5	Insurance and Indemnity
6.1	Liability of City
6.3	Liability for Incidental and Consequential Damages
Article 7	Payment of Taxes
8.1.6	Payment Obligation
9.1	Ownership of Results
9.2	Works for Hire
11.6	Dispute Resolution Procedure
11.7	Agreement Made in California; Venue

11.8	Construction
11.9	Entire Agreement
11.10	Compliance with Laws
11.11	Severability
Article 13	Data and Security

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

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

Article 9 Rights In Deliverables

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

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

Article 10 Additional Requirements Incorporated by Reference

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

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

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

10.4 Consideration of Salary History. Contractor shall comply with San Francisco Administrative Code Chapter 12K, the Consideration of Salary History Ordinance or "Pay Parity Act." Contractor is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The

ordinance also prohibits employers from (a) asking such applicants about their current or past salary or (b) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at https://sfgov.org/olse/consideration-salary-history. Contractor is required to comply with all of the applicable provisions of 12K, irrespective of the listing of obligations in this Section.

10.5 Nondiscrimination Requirements

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

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

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

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

listing of obligations in this Section. By signing and executing this Agreement, Contractor certifies that it complies with Chapter 12P.

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

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

10.9 Health Care Accountability Ordinance. If Administrative Code Chapter 12Q applies to this contract, Contractor shall comply with the requirements of Chapter 12Q. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of Chapter 12Q, as well as the Health Commission's minimum standards, is available on the web at http://sfgov.org/olse/hcao. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q. Any Subcontract entered into by Contractor shall require any Subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

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

10.11 Alcohol and Drug-Free Workplace. City reserves the right to deny access to, or require Contractor to remove from, City facilities personnel of any Contractor or subcontractor who City has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs City's ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. City shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

10.12 Limitations on Contributions. By executing this Agreement, Contractor acknowledges its obligations under Section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of the City for the rendition of personal services, for the furnishing of any material,

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

10.13 Reserved. (Slavery Era Disclosure.)

10.14 Reserved. (Working with Minors.)

10.15 Consideration of Criminal History in Hiring and Employment Decisions

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

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

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

10.17 Reserved (Food Service Waste Reduction Requirements.)

10.18 Distribution of Beverages and Water.

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

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

10.19 Tropical Hardwood and Virgin Redwood Ban. Pursuant to San Francisco Environment Code Section 804(b), the City urges Contractor not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

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

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

Article 11 General Provisions

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

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

To Contractor: **[insert name of contractor, mailing address, and e-mail address]**

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

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

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

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

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

11.6 Dispute Resolution Procedure.

11.6.1 Negotiation; Alternative Dispute Resolution. The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement. If the Parties are unable to resolve the dispute, then, pursuant to San Francisco Administrative Code Section 21.36, Contractor may submit to the Contract Administrator a written request for administrative review and documentation of the Contractor's claim(s). Upon such request, the Contract Administrator shall promptly issue an administrative

decision in writing, stating the reasons for the action taken and informing the Contractor of its right to judicial review. If agreed by both Parties in writing, disputes may be resolved by a mutually agreed-upon alternative dispute resolution process. If the Parties do not mutually agree to an alternative dispute resolution process or such efforts do not resolve the dispute, then either Party may pursue any remedy available under California law. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations under this Agreement in accordance with the Agreement and the written directions of the City. Neither Party will be entitled to legal fees or costs for matters resolved under this Section 11.6.

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

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

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

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

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

11.11 Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as

to effect the intent of the Parties and shall be reformed without further action by the Parties to the extent necessary to make such provision valid and enforceable.

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

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

a. Facility Regulations

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

c. Agreement

d. RFP

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

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

Article 12 SFMTA Specific Terms

12.1 Large Vehicle Driver Safety Training Requirements.

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

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

Article 13 Data and Security

13.1 Nondisclosure of Private, Proprietary or Confidential Information.

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

13.1.2 Confidential Information . In the performance of Services, Contractor may have access to, or collect on City's behalf, City's proprietary or Confidential Information, the disclosure of which to third parties may damage City. If City discloses proprietary or Confidential Information to Contractor, or Contractor collects such information on City's behalf, such information must be held by Contractor in confidence and used only in performing the

Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or Confidential Information. Data and images generated by the PARCS are Confidential Information, including but not limited to transaction data, license plate numbers, and video images.

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

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

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

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

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

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

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

13.3 Reserved. (Business Associate Agreement).

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

13.5 Management of City Data and Confidential Information.

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

13.5.2 Disposition of Confidential Information. Upon request of City or termination or expiration of this Agreement, and pursuant to any document retention period required by this Agreement, Contractor shall promptly, but in no event later than 30 Days, return all Data given to or collected by Contractor on City's behalf, which includes all original media. Once Contractor has received written confirmation from City that the City Data has been successfully transferred to City, Contractor shall within 10 Days clear or purge all City Data from its servers, any hosted environment Contractor has used in performance of this Agreement, including its subcontractors' environment(s), work stations that were used to process the Data or for production of the Data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five Days of the purge. Secure disposal shall be accomplished by "clearing," "purging" or "physical destruction," in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88, or the most current industry standard.

13.6 MacBride Principles - Northern Ireland. The provisions of San Francisco Administrative Code §12F are incorporated herein by this reference and made part of this Agreement. By signing this Agreement, Contractor confirms that Contractor has read and understood that the City urges companies doing business in Northern Ireland to resolve employment inequities and to abide by the MacBride Principles, and urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

Article 14 Included Appendices and Documents Incorporated by Reference

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

a. Facility Regulations

b. Scope of Services

c. Calculation of Charges

➔ **[SIGNATURES ON FOLLOWING PAGE]**

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

CITY	**CONTRACTOR**
San Francisco **Municipal Transportation Agency** _____ Jeffrey P. Tumlin Director of Transportation Authorized By: Municipal Transportation Agency Board of Directors Resolution No: _____ Adopted: _____ Attest: _____ Christine Silva, Secretary Board of Supervisors Resolution No: _____ Adopted: _____ Attest: _____ Clerk of the Board Approved as to Form: David S. Chiu City Attorney By: _____ Robert K. Stone Deputy City Attorney	**[company name]** _____ **[name of authorized representative]** **[title]** **[optional: address]** **[optional: city, state, ZIP]** Acknowledgement of Large Vehicle Driver Safety Training Requirements: By signing this Agreement, Contractor acknowledges that it has read and understands Section 12.1: Large Vehicle Driver Safety Training Requirements. City Supplier Number: **[Supplier Number]**

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Appendix A
Scope of Services

1. Management Services

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

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

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

1.4 Addition or Deletion of Facilities.

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

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

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

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

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

1.7 Subcontracting and Other Parking Business Operations.

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

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

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

2. Services Provided by Attorneys

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

3. Reports

Contractor shall submit written reports as requested by the SFMTA. Format for the content of such reports shall be determined by the SFMTA. The timely submission of all reports is a necessary and material term and condition of this Agreement. The reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

4. Department Liaison

In performing the Services provided for in this Agreement, Contractor's liaison with the **SFMTA** will be **[insert name of contact person in SFMTA]**.

Appendix B
Calculation of Charges

1. Compensation

1.2 Management Fee and Reimbursement of Operating Expenses.

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

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

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

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

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

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

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

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

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

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

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

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

Appendix C
Maintenance Standards and Form of Maintenance Schedule

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FORM OF MAINTENANCE SCHEDULE

[Parking Facility Name]

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

Inspect metal for rust				X		

Appendix D

Parking Facility Operation and Management Regulations

Effective Date: February 1, 2023

Approved: Ted Graff, Director of Parking

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1. DEFINITIONS

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

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

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

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

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

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

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

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

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

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

1.10 "Controller" means the Controller of the City.

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

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

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

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

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

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

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

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

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

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

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

1.22 "Hazardous Material" means any material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter

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

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

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

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

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

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

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

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

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

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

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

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

Record in any transaction in which a credit card is used to pay parking fees or other charges ancillary to parking in a Facility.

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

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

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

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

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

overhead costs that are not directly attributable to its operation of a Facility; (d) attorneys fees or costs incurred in connection with any dispute with the City or a Corporation; or (e) costs to repair damage to a Facility resulting from Manager's and/or Manager's employees' willful, intentional or grossly negligent acts.

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

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

1.41 "Parking Rates" means the fees, including any variable rates imposed to regulate occupancy levels, set by the SFMTA to be charged by a Manager and collected from customers parking vehicles in a Facility. The Parking Rates are set in accordance with *Section 3.2* of these Regulations.

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

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

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

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

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

1.47 "Release" when used with respect to Hazardous Material means any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging,

injecting, escaping, leaching, dumping, or disposing into or inside a Facility or any other improvements constructed hereunder by or on behalf of Manager, a Corporation or the City, or in, on, under or about the Land or a Facility or any portion thereof.

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

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

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

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

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

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

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

1.55 "Treasurer" means the Treasurer of the City.

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

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

2. SCOPE AND APPLICATION

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

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

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

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

2.5 Waiver. The omission by either party to a Management Agreement subject to these Facility Regulations at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions of the Management Agreement or these Facility Regulations by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter. No waiver of any of the provisions of such Management Agreement or these Facility Regulations shall be effective unless in writing and signed by an authorized representative of the party (City, Corporation or Manager), and only to the extent expressly provided in such written waiver. No waiver shall be deemed a subsequent or continuing waiver of the same, or any other, provision of the Management Agreement or these Facility Regulations.

3. DUTIES OF MANAGER

3.1 General Operational Duties. A Manager shall (i) supervise the proper and efficient parking of all vehicles utilizing each Facility, (ii) maximize the accessibility and safe use of the space available in each Facility, (iii) use best efforts to maximize

the revenues generated by each Facility, (iv) maintain the Facilities assigned to it in overall professional and clean manner, (v) provide quarterly surveys of rates and operating policies in of other parking facilities (garages and lots) located within a distance to be determined by the SFMTA for each Facility assigned to it, and (vi) manage the parking of vehicles in each Facility using best practices and in a professional manner. In addition to the foregoing general duties, a Manager shall be responsible for the following specific duties:

(a) Daily Parking. A Manager shall charge, collect and deposit (in accordance with *Section 6.5* below) the daily Parking Rate from all daily users of each Facility and shall collect and account for all issued tickets, as well as any transient parking transactions that do not involve issuance of a parking ticket. A Manager shall provide each customer with a machine-generated receipt as mandated by Article 22 of the San Francisco Business and Tax Regulations Code. A Manager shall establish and maintain a Parking Ticket system for daily users of each Facility in a form prescribed and approved by the City and in accordance with all Laws. A Manager shall procure all Parking Tickets to be issued at the Facilities, which is a reimbursable expense. A Manager shall issue a Parking Ticket from the ticket dispenser to the operator of each vehicle entering each Facility unless the vehicle operator enters using a valid monthly access card, prepaid debit card, or other authorized means of prepayment or entry. The Manager, employees of the Manager and all vendors performing work at the Facilities must be issued a ticket; Garage employees and vendors shall not enter a Facility without pulling a ticket. Each parking ticket that is issued shall be date and time stamped to indicate arrival and departure of the vehicle and shall also be stamped upon payment with the charged amount, as mandated by Article 22 of the San Francisco Business and Tax Regulations Code. The operator of each vehicle for which a Parking Ticket is issued shall pay the current posted Parking Rate, as amended from time to time by the SFMTA Board of Directors. In accordance with Section 2218 of Article 22 of the San Francisco Business and Tax Regulations Code, a Manager shall maintain, in San Francisco, all paid Parking Tickets, and all log files and journal tapes generated by the revenue control equipment for a period of not less than five (5) years.

(i) Altered Parking Tickets. Any alteration to the dates or times of occupancy or charge different from the applicable posted rate must be approved by a Facility Manager who must state in writing on the Parking Ticket the reason for the change. Any changes made without such approval and written explanation shall be disregarded, and the Parking Ticket shall be deemed to have been collected in accordance with the date and time of entry and exit stamped on the Parking Ticket and the current Parking Rate approved by the SFMTA Board of Directors, and such amount shall be included in the Gross Revenues due and remitted to

the Agency/Corporation in accordance with the requirements of *Section 6.6* of these Facility Regulations, whether or not such amount is actually received by the Manager from the customer.

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

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

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

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

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

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

incident at the Facility, or a call for assistance from the Facility staff or a customer.

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

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

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

b. Manager is provided a copy of the police report showing the vehicle was reported stolen. No parking charge shall apply beginning on the date the report was filed. Parking charges shall apply from the date the vehicle entered the facility up until the date it was reported stolen, if these two dates are not the same.

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

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

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

monthly users who fail to pay their monthly parking fee for the forthcoming month by the due date. Manager shall start assessing such late charges on the second day after the due date. Manager shall provide a system allowing for online sign-up and payment of fees by monthly parkers.

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

(iii) A Manager shall require a monthly user whose Monthly Credential is deactivated to take a Parking Ticket to enter the Facility. In such a case, upon the approval of a Portfolio Manager/Assistant Portfolio Manager or Facility Manager/Assistant Facility Manager, the Manager shall void the monthly user's Parking Ticket, and re-activate the Monthly Credential immediately upon payment of the monthly fee and late charge. On the 15th of each month, a Manager shall cancel the accounts of all monthly users whose monthly parking fee remains unpaid for the current month. Any user whose account has been cancelled shall lose all seniority at the facility. If the user wishes to re-establish a monthly account at the Facility, he or she must pay the activation fee required to open a new account. If a waiting list exists for monthly parking at the Facility, Manager shall put his or her name at the bottom of the list. A Manager shall supervise and control the billing and collection of the approved monthly Parking Rate and shall establish a security access system for monthly users. A Manager shall collect the one-time New Account Activation Fee for each new customer. For any lost or destroyed Monthly Credentials, a Manager shall reissue a new Monthly Credential and shall collect a charge for the lost or destroyed Monthly Credential in accordance with the current approved Parking Rates.

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

(v) From time to time, the Director may determine the maximum number of monthly parking agreements that shall be permitted in a Facility. A Manager shall deposit any amounts collected from monthly customers, including amounts for New Account Activation Fees, late charges or charges for reissuance of a new Monthly Credential into the Revenue Account no later than the next Banking Day after such amounts are collected, unless an alternate deposit schedule is approved in advance by

the Director. A Manager shall keep a written record containing the names of all monthly users along with their Monthly Credential number, parking commencement date, and date each payment is received and transferred to the Revenue Account, parking termination date and amount of deposit refund.

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

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

(e) Other Services. A Manager shall perform such other acts and duties as are required under the terms of the Agreement, and shall perform such other management and supervisory functions related to the operation of the Facilities as the Agency (and Corporation, if applicable) may require. A Manager shall not enter into any special agreements (written or oral) with a third party to provide Parking Rates other than the approved Parking Rates without pre-approval in writing from the SFMTA.

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

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

(h) Storage Rental. A Manager shall not allow any non-vehicle property storage rental unless pre-approved in writing by the Agency (and Corporation, if

applicable). If such storage rental is approved, the Manager shall require all renters to execute a rental agreement and release form, which form must be pre-approved by the Agency (and Corporation, if applicable). All collected fees shall be deposited into the Revenue Account on the day such amount is collected or the next Banking Day.

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

(j) Vending Machines, ATMs and Telephones/Communication Devices. The installation of any vending machines, ATMs or telephones/communication devices, including internet-service devices, in a Facility must be pre-approved in writing by the Agency (and Corporation, if applicable). Once approved, a Manager may be charged with the responsibility of entering into any necessary agreements with such parties and administering such contractual relationships. Such agreements shall not exceed the term of the Management Agreement unless pre-approved by the Agency (and Corporation, if applicable), and may in any event be subject and subordinate to the Management Agreement. Such agreements shall also be assignable to the succeeding Manager or the Agency/Corporation without additional payment or cost.

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

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

(i) In the case of a monthly customer whose parking fees are paid for the current month and whose parking agreement with the Manager

prohibits parking of Stored Vehicles without the advance written approval of the Agency/Corporation, the Manager shall:

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

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

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

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

a. Place a notice on the vehicle (in a form approved by the Agency) informing the customer that the vehicle must be removed from the Facility within 72 hours or it will be subject to being towed. In addition, in the case of a monthly customer with unpaid parking fees, the Manager shall attempt to contact the customer by phone and email (if provided),and provide such notice.

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

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

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

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

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

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

(o) Revenue Control System Maintenance. The PARCS (parking access and revenue control system) back-end IT setup includes elements managed by the City and other elements under control of the Manager. The SFMTA has a

contract with Skidata, the PARCS vendor. SFMTA staff are responsible for ensuring Skidata is fulfilling the terms of its contract. Manager is responsible for actively collaborating with SFMTA by timely reporting to SFMTA and Skidata any maintenance and/or operational issues with the PARCS. Manager shall be responsible for reporting all PARCS maintenance and/or operational issues via email, online portal and/or telephone as directed by SFMTA. Manager shall also collaborate with SFMTA staff to accurately and comprehensively log and track all open PARCS maintenance issues. Manager shall document the reporting, and eventual resolution, of all PARCS maintenance and operational issues, using a system approved in advance by SFMTA.

(p) Revenue Protection.

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

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

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

3.2 Facility Parking Rates.

(a) For all vehicles parked in each Facility, a Manager is authorized and directed to charge and collect parking fees according to the Parking Rates approved by the SFMTA for that Facility. Upon a change in the Parking Rates, the Director/Corporate Manager will give written notice to the Manager as to the new Parking Rates and their effective date(s). Upon receiving such notice, the Manager shall take such measures necessary to implement the new Parking Rates on the effective date. A Manager shall not adjust the authorized Parking

Rates or collect any other rates or charges at the Facility or provide free (no charge) parking to any person except as specifically authorized by the SFMTA or as set forth in paragraphs (b) or (c) below. A Manager shall not be entitled to any further compensation or consideration because of a change in the Parking Rates. If Manager fails to implement the new rates on the directed effective date, Manager shall pay the Agency the difference between the rates actually charged and the rates that should have been charged.

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

(c) A Manager shall apply the following Grace Periods in charging and collecting parking fees according to the Parking Rates; 1) for a turnaround or immediate in/out upon entry into a garage, the Grace Period shall be between 0 and 10 minutes, as determined by the Agency, based on the design for egress of each Facility; 2) after payment is made at a pay station or central cashier location, the Grace Period shall be 15 minutes; and 3) where a customer is paying a Parking Rate calculated by the hour and the time on the Parking Ticket shows that the customer has exceeded the last full increment of time, *there shall be no grace period*. SFMTA may, at its discretion, change the time allotment for any of the three grace period categories, following written notice to the Manager of the Facility.

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

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

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

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

4. EQUIPMENT AND CAPITAL IMPROVEMENTS

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

4.2 Improvements. A Manager shall not make any alterations or improvements to or upon a Facility without the prior written approval of the SFMTA. The Director or the Corporation may require a Manager to implement specific capital improvements during the term of the Management Agreement. With the exception of emergency repairs, which shall require the written approval of the Director or the Corporation, any such capital improvements shall require the approval of the Director and shall be performed (i) in strict accordance with any plans and/or specifications approved in advance by the Director or the Corporation in writing, (ii) by duly licensed and bonded contractors or mechanics approved by the Director or the Corporation after the Manager obtains at least three quotes for the capital improvement work, (iii) in a good and workmanlike manner, (iv) in strict compliance with all laws and subject to all other conditions that the Director or the Corporation may impose. Prior to the commencement of any work, a Manager shall procure all required permits and approvals and shall promptly deliver copies of such approvals and permits to the Director/Corporate Manager upon request. No material change from the plans and specifications approved by Director may be made without the prior consent of the Director or the Corporation. The Director/Corporate Manager shall have the right to inspect the progress of the capital improvement work at all times. If required by the Director/Corporate Manager, upon completion of the capital improvements, a Manager shall furnish Director/Corporate Manager with a complete set of final as-built plans and specifications. Notwithstanding anything in the Management Agreement or these Facility Regulations to the contrary, the actual costs and expenses incurred by a Manager in the performance by it of the obligations set forth in this Section shall be an Operating Expense. Upon completion of the improvement, the City shall own all capital improvements completed pursuant to this Section.

5. MAINTENANCE AND REPAIRS

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

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

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

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

(d) Otherwise cleaning, repairing and painting all surfaces of the Facility (e.g. floors, walls, fences, railings, gates, etc.) as well as adjacent sidewalks, curbs and driveways thereof as needed (particularly when such surfaces have been marred by graffiti or other forms of vandalism).

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

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

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

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

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

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

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

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

5.2 Failure to Perform. The Director/Corporate Manager may direct a Manager to perform routine maintenance and repair work that is necessary to keep the Facility in good and clean condition and in a proper state of repair. If the Manager does not commence performance of such routine maintenance and repair work within seventy-two (72) hours after the notice is given and thereafter diligently prosecute it to completion, the Director/Corporate Manager may cause such routine maintenance and repair work to be performed and the Manager shall pay the SFMTA's administrative expenses expended in having the routine maintenance and repair work performed.

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

6. FISCAL DUTIES AND MATTERS

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

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

6.3 PCI Data Security Standards.

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

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

(c) A Manager or Corporation shall store, retain or otherwise keep Credit Card Data only to the extent necessary to identify a transaction for accounting and refund purposes. A Manager or Corporation shall not store, retain or otherwise keep or utilize credit card data except as in accordance with PCI DSS requirements.

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

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

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

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

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

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

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

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

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

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

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

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

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

6.9 Operating Expenses.

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

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

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

(1) the Manager must have submitted the required documentation requested above,
(2) the expenditure must have been authorized in the Approved Budget,

(3) for both vendor expenses and professional services, the expenditure must have been made pursuant to a written agreement or purchase order executed by both Manager and the vendor/service provider; and
(4) the expenditure must have the prior approval of the Director or Corporate Manager and the Controller.

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

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

6.10 Parking Taxes. A Manager shall comply with the requirements imposed by Sections 6.6-1 and 6.7-1 of Article 6, and Section 604 of Article 9 of the San Francisco Business and Tax Regulations Code to collect all Parking Taxes, sales taxes and other taxes due, which shall be deposited into the Revenue Account and accounted for separately. A Manager shall submit to the Agency/Corporation with each Monthly Report a full accounting of all taxes due and payable to any third party, including any taxes due to the City. A Manager shall file with the San Francisco Tax

Collector, with a copy to the Agency (and Corporation, if applicable) all required monthly Parking Tax returns. A Manager is liable for any interest or penalties incurred due to late filing of required tax returns or failure to correctly determine the tax due, which interest or penalties shall not be considered an Operating Expense or otherwise reimbursed by the SFMTA or the Corporation. A Certificate of Authority to collect Parking Tax shall be posted in each Facility in a prominent location at all times during the Term of the Management Agreement. Manager shall remit all Parking Tax due directly to The Tax Collector. Manager shall include Parking Tax payments made as part of its monthly invoices for Operating Expenses.

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

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

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

administration of the Management Agreement or the financial stability of the Manager, at the discretion of the Agency/Corporation.

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