

**Airport Commission of the
City and County of San Francisco**



Request for Proposal No. 9230.9

**Construction Management Support Services for Runway
Safety Area (RSA) Program**

At

San Francisco International Airport

Date issued: June 15, 2012

Pre-Proposal Conference: June 25, 2012

Questions due: July 3, 2012

Proposals due: July 23, 2012

ORAL INTERVIEW: August 7, 2012

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Appendices:

- A. Statement of Minimum Qualifications
- B. Services Contractor Agrees to Perform
- C. Standard Forms: Listing and Internet addresses of Forms related to Taxpayer Identification Number and Certification, to Business Tax Declaration, and to Chapters 12B and 12C, and 49 CFR Parts 21 & 26, Federal Reporting Forms
- D. Airport Document 00435
- E. Agreement for Professional Services (Form AIR-500 Federal (5-10))
- F. Provisional Cost Rate Agreement

I. INTRODUCTION, BACKGROUND, SCHEDULE AND BUDGET

A. Introduction and Background

1. The City and County of San Francisco ("City"), acting by and through its Airport Commission ("Commission" or "Airport"), is soliciting Proposals from qualified Construction Management firms, teams, joint ventures, joint associations, or LLCs (hereinafter "Proposer," "Team," or "Contractor") to provide construction management ("CM") support services for the Runway Safety Area ("Program") at the San Francisco International Airport ("SFO" or the "Airport").
2. The Runway Safety Area (RSA) program background is as follows:

The RSA Program is enhancements to Runways 10-28s (Phase I) and 1-19s (Phase II) and is necessary to comply with Public Law 109-115, which requires airport sponsors to enhance RSAs according to Federal Aviation Administration (FAA) airport design standards by no later than December 31, 2015. The first phase of the Program is in the bidding and early construction stages of multiple projects.
3. The successful Proposer will provide construction management support services for Contract Number 9230.9, for Phase I and Phase II of the Runway Safety Area (RSA) Program. These services are required to support Airport staff with navigation-aids design and overall construction management of this Program.
4. Proposers who meet the minimum qualifications (Appendix A) and possess relevant experience for the Services Contractor Agrees to Perform set forth in Appendix B of this RFP are encouraged to submit a written technical Proposal.
5. As used in this RFP, the term "Proposer," "Contractor," or "Team" refers to any entity submitting a response to this RFP and may be comprised of any combination of a Prime, joint venture, and individual team member firms. Also, "Prime" refers to the lead Proposer firm, and "team member" shall mean one of the individual firms who have joined with the Prime to become the Proposer or Team. Experience and qualifications shall be evaluated based on the combined experience and qualifications of the Proposer or Team.

B. Selection Schedule

The anticipated schedule for selecting a Contractor is as follows:

<u>RFP Phase</u>	<u>Date</u>
RFP is issued by the City:	June 15, 2012 (Friday)
Pre-Proposal Conference:	June 25, 2012 (Monday, 10:00 AM)
Deadline for submission of written questions or requests for clarification:	July 3, 2012 (3:00 PM)
Proposals Due:	July 23, 2012 (Monday, 2:00 PM)

Oral Interviews:

August 7, 2012 (Tuesday)

C. Budget

The budget for construction management support services is Six Million Three Hundred Thousand Dollars (\$6,300,000) with a contract term of up to four and one-half (4-1/2) years.

II. SERVICES CONTRACTOR AGREES TO PERFORM

The Services Contractor Agrees to Perform is described in Appendix B to this RFP, and is to be used as the anticipated work, but is not intended to be a final list of all work necessary to complete the Program, as work may be added and/or deleted as the Program develops. A modified version of Appendix B shall become Appendix B, "Services Contractor Agrees to Perform," in the Agreement between the City and County of San Francisco and the Construction Manager.

III. SUBMISSION REQUIREMENTS

A. Time and Place for Submission

The Proposal package must be received by **2:00 PM (PST), on Monday, July 23, 2012** at the following address:

Jim Chiu
Airport Program Manager
Jason Yuen Architecture & Engineering Building
San Francisco International Airport
676 McDonnell Road
San Francisco, CA 94128

Please be advised that U.S. Mail does not make deliveries to the above address. **AND, POSTMARKS WILL NOT BE CONSIDERED IN JUDGING TIMELINESS OF SUBMISSIONS.** While not advised, Proposals can be mailed to the following P.O. Box address for general deliveries to the Airport:

Jim Chiu
Airport Program Manager
Jason Yuen Architecture & Engineering Building
San Francisco International Airport
P.O. Box 8097
San Francisco, CA 94128

PROPOSERS ARE ADVISED THAT DELIVERY OF PROPOSALS MAILED TO THE ABOVE ADDRESS MAY BE DELAYED BY INTERNAL HANDLING OF INCOMING MAIL AT SFO. PROPOSALS MAILED, THEREFORE, MAY NOT REACH THE PROGRAM MANAGER BEFORE THE STIPULATED DEADLINE EVEN IF POSTMARKED WELL IN ADVANCE.

NEITHER POSTMARKS NOR ARRIVAL AT THE AIRPORT WILL BE CONSIDERED IN JUDGING TIMELINESS. PROPOSALS MUST REACH THE AIRPORT PROGRAM MANAGER AT THE AIRPORT BY THE PRESCRIBED TIME ON THE PRESCRIBED DATE.

B. Format

The Proposal package is made up of five (5) envelopes listed in this subsection.

1. Envelope 1: Proposers shall submit the completed and signed copy of its Statement of Minimum Qualifications, with supporting documentation, in an envelope clearly marked “Envelope 1 – Statement of Minimum Qualifications for Request for Proposal No. 9230.9 Construction Management Support Services for Runway Safety Area (RSA) Program.”
2. Envelope 2: Proposers shall submit five (5) unbound copies of the technical Proposal, in an envelope or box clearly marked “Proposal for Request for Proposal No. 9230.9 Construction Management Support Services for Runway Safety Area (RSA) Program.” DO NOT SUBMIT YOUR TECHNICAL PROPOSAL IN A THREE-RING BINDER.
3. Envelope 3: Two (2) unbound bound copies of the rate schedule in a separate envelope clearly marked “Rate Schedule for Request for Proposal No. 9230.9 Construction Management Support Services for Runway Safety Area (RSA) Program.” DO NOT INCLUDE YOUR RATE SCHEDULE IN THE SAME ENVELOPE WITH YOUR TECHNICAL PROPOSAL AND DO NOT SUBMIT YOUR RATE SCHEDULE IN A THREE-RING BINDER.
4. Envelope 4: Submit one (1) unbound copy of Airport Document 00435 with your proposal.
5. Envelope 5: Submit an electronic version of the technical Proposal, Airport Document 00435 and the rate schedule on a single CD or USB flash drive.
6. Note: See Article VI.O – HRC Form 5 will need to be submitted ten (10) days after notification of contract award. Form 5 does not need to be submitted with the Proposal.
7. Print Proposal double-sided to the maximum extent practical, and bind the Proposal with a binder clip. Do not bind your Proposal with a spiral binding, glued binding or anything similar.
8. For word processing documents, the Commission prefers that text be justified and use a serif font (e.g. Times New Roman, and not Arial), and that pages have margins of at least 1” on all sides (excluding headers and footers). If your response is lengthy, include a Table of Contents.
9. Pages shall be no larger than letter size (8 ½ by 11 inches) or, if folded to that dimension, twice letter size (11 by 17 inches). Attachment pages shall also be no larger than letter size (8 ½ by 11 inches) or, if folded to that dimension, twice letter size (11 by 17 inches).

C. Minimum Qualifications

Proposers shall complete and submit the Statement of Minimum Qualifications identified as Appendix A to this RFP with the appropriate supporting documentation. In order to have their proposal considered for scoring and award of this contract, Proposers shall be able to answer "yes" to each of the questions posed on Appendix A and shall sign the document under penalty of perjury. Proposers will have the opportunity to elaborate on the minimum qualifications and be able to show how they are otherwise qualified to perform the work identified in Appendix B in their Statement of Qualifications that is a part of the Technical Proposal and is described in part III.D below.

D. Content of the Technical Proposal

The selected Proposer will be responsible for accomplishing all of the construction management support services detailed in Appendix B of this RFP, and must be able to complete all functions necessary to implement the Program. Proposers must submit the following requested information, in the order specified. Proposers should use tabs to help organize the proposal in the same format as this RFP. It is recommended that the technical Proposal be concise so as to limit the Proposer's preparation effort. Do not include generic marketing materials.

1. Cover Letter and Executive Summary (Maximum 2 Pages)

- a. Provide a cover letter containing an introduction and executive summary of the Proposer's team. The executive summary portion of the letter should set forth the Proposer's vision for delivering this complex RSA program and any comments or suggestions, if any, to the Airport for establishing coordination, synergy and teamwork to run the Program wisely and efficiently. The letter must be signed by a person authorized by the Proposer to obligate the Proposer to perform the commitments contained in the Proposal. Submission of the letter will constitute a representation by the Proposer that the Proposer is willing and able to perform the commitments contained in the Proposal.
- b. Indicate whether the lead Proposer is a single entity, partnership, or corporation. Identify whether the Proposal team is a joint venture or other legal entity recognized in the State of California.
- c. Identify the name of the contact person, his or her title, telephone number, facsimile number, email address, and a brief description of his or her role on the Program. The contact person must be a key personnel person.
- d. By submission of the Proposal and signature of the authorized person, the Proposer affirms the following:
 - 1) The Proposer agrees to commit and assign the Construction Manager and key personnel identified in its Proposal to manage the RSA construction Program. Those individuals identified in the Proposal as the Construction Manager and key personnel are the deemed the Proposers "team," and the Proposer, after having been awarded the contract is the "Contractor." The successful Proposer is hereinafter referred to as the "Contractor."
 - 2) The Proposer acknowledges that if it is selected as the Contractor, its selection was based, in part, on the team the Proposer submitted in the response to this RFP. Therefore, the Commission will not approve any requests for substitution of the Construction Manager or other key personnel within nine (9) months of the date of the notice to proceed, except for extenuating circumstances (e.g., illness or departure from the Construction Manager's company). If any substitution of the Construction Manager or any of the key personnel as submitted with the Proposal is required, the Contractor shall propose a replacement in writing to the Airport Project Manager for approval.
 - 3) If necessary, and after following the appropriate procedure, the Contractor shall replace the Construction Manager or key personnel departing from the Program or departing from his/her assigned role in the Project with an individual of comparable experience on a non-temporary basis within thirty (30) calendar days of their departure. Failure to replace the Construction Manager or other key personnel shall not relieve the Contractor of its obligation for full performance of the Services Contractor.

2. Description of Qualifications (Maximum of 10 pages)

The selected Proposer will assume the responsibilities of Construction Manager, and must possess a full range of technical and managerial disciplines and capabilities associated with major construction programs. The selected Proposer must have successfully demonstrated its ability to provide Construction Management services on large, complex facilities projects comparable to this Program.

- a. Describe how the Proposer team meets, and or exceeds, the minimum qualifications set forth in Section III.C and Appendix A of this RFP. Where the Statement of Minimum qualifications calls for a single project or one (1) example of relevant or prior experience, please include up to three (3) such projects or examples in the technical Proposal. For each project presented as support for qualifying for this contract, please set forth the following:
 - 1) Name of the project with client information, including current e-mail address and phone number
 - 2) Total project value
 - 3) Firm's contract value
 - 4) Firm's Services. Descriptions should be very specific and should describe the project parameters in detail and what the extent of responsibilities were, without over generalizing. Descriptions should address (at a minimum) (i) project management, (ii) design, (iii) design management, (iv) construction, (v) construction management, (vi) integration, and (vii) testing, commissioning and start-up responsibilities.
 - 5) Duration of each project from start to finish
 - 6) Descriptions should be limited to one (1) page for each project
- b. Further describe, as necessary, all of the team's qualifications and experience required to provide all of the services stated in Appendix B of this RFP.

3. Lead Proposer Experience and Qualifications (Maximum of 6 pages)

- a. Describe the business structure of the lead Proposer and the services available from the lead proposer relative to this program. Identify the office location from which the lead Proposer will work directly with the Commission. Indicate all former names, if any, under which the lead Proposer firm has conducted business and the years of operation under each name.

- b. Provide a description of a minimum of one (1) and a maximum of three (3) projects performed by lead Proposer, and/or by principals on the Proposer's team, that are similar in type, scope, and magnitude to the RSA Program, especially at operating airports or other similar facilities which were be phased and implemented with minimal disruption to critical operations. If any project listed under this item is the same as one listed under item 2.a., above, please refer specifically to the previously listed project and make clear that it is intended to be listed in both categories. There is no need to give a narrative description of the same project twice. Provide the following information for each project:
 - 1) Name of the project with client information, including current e-mail address and phone number
 - 2) Total project value
 - 3) Firm's contract value
 - 4) Project Descriptions. Descriptions should be very specific and describe the project parameters in detail and the extent of Contractor's responsibilities, without being over-generalized. Descriptions should address (at a minimum) (i) project management, (ii) design, (iii) design management, (iv) construction, (v) construction management, (vi) integration, and (vii) testing, commissioning and start-up responsibilities.
 - 5) Duration of each project from start to finish
 - 6) Descriptions should be limited to one (1) page for each project
- c. Provide a brief description of lead Proposer's familiarity and understanding of RSA programs and any additional considerations this may require in order to properly and effectively implement the RSA Program.

4. Team Member Firm Experience and Qualifications (Maximum of 10 pages)

- a. Describe the qualifications and services available from each proposed team member firm. Identify the office location from which each team member firm will work directly with the Commission on this program. Indicate all former names, if any, under which the proposed team member firm has conducted business and the years of operation under each name.
- b. For each team member proposed, provide a minimum of one (1), and a maximum, of three (3) projects performed by each team member that are similar in type, scope and magnitude to the RSA Program, especially at operating airports or other similar facilities which must be phased and implemented with minimal disruption to critical operations. If any project listed under this item is the same as one listed under item III.D.2.a, above, please refer specifically to the previously listed project and make clear that it is intended to be listed in both categories. There is no need to give a narrative description of the same project twice. Provide the following information for each project (descriptions should be limited to one (1) page per project):
 - 1) Name of the project\ with client information, including current e-mail address and phone number
 - 2) Total project value
 - 3) Firm or team member submitting the referenced project
 - 4) Firm's contract value

- 5) Project Descriptions. Descriptions should be specific and describe the project parameters in detail and the extent of Contractor's responsibilities, without being over-generalized. Descriptions should address (at a minimum) (i) project management, (ii) design, (iii) design management, (iv) construction, (v) construction management, (vi) integration, and (vii) testing, commissioning and start-up responsibilities.
- 6) Duration of the each project from start to finish
- c. Provide a brief description of each firm's familiarity and understanding of RSA Programs and any additional considerations this may require in order to properly and effectively implement the RSA Program.

5. Identification of Proposed Key Project Personnel and Technical Staff (Maximum 10 pages)

- a. Provide an organization chart illustrating the Construction Manager's key management and technical positions and structure for the RSA Program and any proposed outside technical firm requirements.
- b. Provide a staffing plan showing all management staff and, on a separate Excel spreadsheet, all design staff. Indicate anticipated hours per month for each staff member. Provide a summary of proposed hours for the Program.
- c. Provide a resume for the person proposed for the Construction Manager position. Describe this person's leadership attributes, experience, qualifications, and relevant experience on programs of similar size, scope and complexity. Describe any other professional duties this person retains or will retain outside of the RSA Program assignment.
- d. Provide a resume for each key personnel proposed for the RSA Program. For each, describe that individual's experience and qualifications in general and each individual's particular experience and qualifications relevant to this program, including experience and qualifications on programs of similar size, scope and complexity. Describe any other professional duties each person retains or may retain outside of the RSA Program assignment.
- e. Describe each position title that will report directly to the Construction Manager in the proposed organization structure. Describe the duties and responsibilities for each position that will report directly to the Construction Manager.
- f. Describe the scope of work of outside technical services which will be required to assist the Construction Manager during the planning, design, and construction phases of the RSA Program.

6. Statement of Program Approach (Maximum 15 pages)

Using the "Services Contractor Agrees to Perform" described in Appendix B as a guide, describe the program execution approach that the Proposer intends to utilize. Describe how, as a Construction Manager, the Proposer would provide the depth of technical services required for the RSA Program. The execution plan should discuss, at a minimum, the following:

- a. Approach to overseeing planning, design, and construction development
- b. Approach to managing changes to scope of work and/or personnel during the Project

- c. Approach to program communication
- d. Approach to involving key Airport personnel in the planning, design and construction process
- e. Proposed management tools and how they would be implemented
- f. Approach to program controls, including cost and schedule management. Provide a sample cost report and schedule report from a current or previously completed project.
- g. Approach to quality control and quality assurance
- h. Approach to program reporting. Provide a sample project report from a current or previously completed project.
- i. Approach to interfacing and coordinating with FAA.

7. Rate Schedules

- a. The proposer shall provide a table of position classifications and associated base hourly rate ranges for all proposed team members and employees that are proposed for work on this RSA Program. When detailing the range of rates for each proposed classification, provide a break down for rates as follows: base hourly rate, provisional overhead rate for home and field office work, and profit. Rates shall be Federal Acquisition Regulations (FAR) compliant rates. The hourly rate ranges shall be provided for the various categories of labor that may be required to perform the Services Contractor Agrees to Perform described in this RFP. If the services of a specialized professional are not listed in the schedule of hourly rates and is required, the hourly rate for such a professional shall be established by mutual agreement between the Airport and the Proposer. These proposed rate schedule rates shall be valid through December 31, 2016.
- b. The proposed fixed fee for the Contractor's work effort, including any subcontractor work at any tier, shall not exceed ten percent (10%) of the estimated direct labor of the Contractor and any subcontractor at any tier. There shall be no additional fixed fee markup on indirect costs or on the work of first and lower tier subcontractors.
- c. Whenever possible, billing rates shall be established for home office work using a home office indirect cost rate and field office work using a field office indirect cost rate. The home office indirect cost rate shall be used when staff works in an office provided by the Contractor. The field office indirect cost rate shall be used when staff is assigned full time to an office provided by the Commission. To qualify for the field office indirect cost rate the Commission shall provide two office spaces, utilities, telephone service, and internet access; the Commission will not provide computers for the Program team.
- d. Unless authorized by the Airport, the Airport will not reimburse the program team for the costs of business travel, contractor meals, accommodations, deliveries, and FAX, long distance, and cellular telephone charges beyond the San Francisco Bay Area (less than fifty (50) miles from SFO), this includes specialists that are based out of town and not assigned to the jobsite office. Travel and per diem expenses for the project team's management, jobsite personnel, or staff that commute to or from other offices or residences is not allowed.

Regional (remote) executive's travel expenses to visit the local job office are not reimbursable and part-time jobsite personnel who are shared with other out-of-town clients are not reimbursed for travel expenses.

IV. EVALUATION APPROACH AND CRITERIA

A. Evaluation and Selection Criteria

1. Airport staff will screen minimum qualification statements from envelope 1 to ensure that the Proposer meets the required minimum qualifications. Proposers that meet all of the minimum qualification requirements will be distributed to the evaluation panel for an independent technical evaluation.
2. Evaluation Panel: The Commission will establish an evaluation panel to evaluate technical Proposals. The evaluation panel will score the written technical Proposals, taking into account responsiveness, demonstrated competence, and experience. This same panel will evaluate oral presentations during the oral interview phase of the evaluation process. Members of the panel will be impartial, have technical knowledge and experience in the subject matter of the Program, and will reflect the diversity of the City and County of San Francisco.
3. The Airport Commission requires that Proposers demonstrate expertise in all areas of the Services to be provided by the Contractor identified in this RFP.
4. Following the evaluation of the written proposals, up to **three (3)** Proposers receiving the highest scores will be invited to an oral interview. In the event of a tie for the third place position, the Airport may invite all tied proposals even if it results in more than three proposers being invited to interview. The Airport reserves the right to select a Consultant without conducting oral interviews. Interviews, if held, will be conducted by the evaluation panel and will be one-hour in length. The Proposer will have 35-minutes for their opening statement and presentation and 10-minutes to present a wrap-up; the Airport will have 15-minutes to ask questions during a question and answer period. The interview will consist of standard questions asked of each Proposer. The descriptions following are provided as a general guide to assist proposers in preparing for the interview:
 - a. Experience: Offer relevance of the team experience as demonstrated by types and complexity of previous work presented and evidence of the expertise the team brings to SFO for services described in this RFP.
 - b. Approach to Implementation: Present understanding of the key issues that may affect a project and quality insight or conceptualization of issues relevant to the proposed tasks at hand.
 - c. Communication: Communicate with quality written and graphic materials and oral exposition that are clearly organized to represent the skills of the team.
 - d. Breadth: Present the depth of the team's technical expertise, showing that it is complete for the anticipated scope of services and is structured for a comprehensive approach.
 - e. Management: Present evidence that previous work was well managed, within budget, and on-time. Present documentation of relevant problems and how they were resolved.

B. Allocation of Points

Allocation of Points: Each evaluation panel member will individually evaluate and assign rating points to the written proposals as follows:

- | | |
|---|-----------------------|
| 1. Cover Letter and Executive Summary | Maximum of 5 points |
| 2. Description of Qualifications | Maximum of 30 points |
| 3. Lead Proposer Experience and Qualifications | Maximum of 60 points |
| 4. Team Member Firm Experience and Qualifications | Maximum of 60 points |
| 5. Key Project Personnel and Technical Staff | Maximum of 60 points |
| 6. Statement of Program Approach | Maximum of 100 points |
| 7. Oral Interview (if held) | Maximum of 100 points |

MAXIMUM POSSIBLE POINTS

415 Points

V. PRE-PROPOSAL CONFERENCE AND CONTRACT AWARD**A. Pre-Proposal Conference - Mandatory**

A mandatory pre-Proposal conference will be held on, **Monday, June 25, 2012 starting at 10:00 AM (PT)** at the San Francisco International Airport, Airport Commission/Singapore Building, 710 N. McDonnell Road, Conference Room B, 2nd floor to answer questions or requests for clarification on any items in the RFP. Participation at this conference is mandatory for all lead Proposers. All additional written questions must be received by **3:00 PM (PST) on Tuesday, July 3, 2012** and written responses will be available as an addendum to this RFP at the Airport's website <http://www.flysfo.com/web/page/about/b2b/pro-serv/>

B. Contract Award

1. The Commission intends to award this contract to the Proposer that it considers will provide the best overall value of program support services. The City reserves the right to accept other than the lowest priced Proposal and to reject any Proposals that are not responsive to this request.
2. Following the completion of the proposal and oral interview evaluation process, Airport staff will issue a notice of intent to award and will begin negotiations with the highest ranked Proposer. Upon successful contract negotiations, Airport staff will submit to the Commission for award the negotiated construction management support services contract. Once the contract is certified, Airport staff will issue a Notice to Proceed.
3. The selection of any Proposal shall not imply acceptance by the City of all terms of the Proposal, which may be subject to further negotiations and approvals before the City may be legally bound thereby. If a satisfactory contract cannot be negotiated in a reasonable time, the Airport, in its sole discretion, may terminate negotiations with the highest ranked Proposer and begin contract negotiations with the next highest ranked Proposer.

VI. TERMS AND CONDITIONS FOR RECEIPT OF PROPOSALS**A. Errors and Omissions in RFP**

Proposers are responsible for reviewing all portions of this RFP. Proposers are to promptly notify the Airport, in writing, if the Proposer discovers any ambiguity, discrepancy, omission, or other error in the RFP. Any such notification should be directed to the Airport promptly after discovery, but in no event later than five (5) working days prior to the date for receipt of Proposals. Modifications and clarifications will be made by addenda as provided below.

B. Inquiries Regarding RFP

Inquiries regarding the RFP and all oral notifications of the intent to request written modifications or clarifications of the RFP must be directed via email to:

Jim Chiu
Airport Program Manager
Email: jim.chiu@flysfo.com

C. Objections to RFP Terms

Should a Proposer object on any ground to any provision or legal requirement set forth in this RFP, the Proposer must, not more than ten calendar days after the RFP is issued, provide written notice to the Airport setting forth with specificity the grounds for the objection. 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 to RFP

Airport staff may modify the RFP, prior to the Proposal due date, by issuing written addenda, which will be posted on the San Francisco International Airport website <http://www.flysfo.com/web/page/about/b2b/pro-serv/>. Proposers shall be responsible for ensuring that its Proposal reflects any and all addenda issued by the Commission prior to the Proposal due date regardless of when the addenda is issued. Therefore, the Commission recommends that the Proposer check the San Francisco International Airport website before submitting its Proposal to determine if the firm has downloaded all addenda.

E. Term of Proposal

By submitting a Proposal, Proposers acknowledge that the proposed services and prices are valid for 120 calendar days from the Proposal due date and that the quoted experience and services are genuine and not the result of collusion or any other anti-competitive activity.

F. Revisions to Proposal

1. Proposers may revise their Proposal on Proposer's own initiative at any time before the deadline for submission of Proposals. The Proposer must submit the revised Proposal in the same manner as the original. A revised Proposal must be received on or before the Proposal due date.
2. 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.

3. At any time during the RFP evaluation process, the Commission may require a Proposer to provide oral or written clarification of its response. The Commission reserves the right to make an award without further clarifications of responses received.

G. Errors and Omissions in Responses

Failure by the City to object to an error, omission, or deviation in the Proposals will in no way modify the RFP or excuse the Proposer from full compliance with the specifications of the RFP.

H. Financial Responsibility

The City accepts no financial responsibility for any costs incurred by a Proposer in responding to this RFP. Submissions of the responses will become the property of the City and may be used by the City in any way deemed appropriate.

I. Proposer's Obligations under the Campaign Reform Ordinance

Proposers must comply with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which states:

1. 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 (i) the termination of negotiations for such contract, or (ii) 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.
2. 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:
 - a. The officer's re-election campaign
 - b. A candidate for that officer's office
 - c. A committee controlled by the officer or candidate.
3. 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: (i) a Proposer contacts a City officer or employee to promote himself or herself as a candidate for a contract; and (ii) 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 Qualifications or Request for Proposal, and requests to be placed on a mailing list do not constitute negotiations.

4. Violation of Section 1.126 may result in the following criminal, civil, or administrative penalties:
 - a. 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.
 - b. 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.
 - c. 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 should contact the San Francisco Ethics Commission at (415) 581-2300.

J. Sunshine Ordinance

In accordance with San Francisco Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or Proposers 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 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 provided which is covered by this paragraph will be made available to the public upon request.

K. Public Access to Meetings and Records

If a Proposer is a non-profit entity that 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 San Francisco Administrative Code, the Proposer must comply with Chapter 12L. The Proposer must include in its Proposal (i) a statement describing its efforts to comply with the Chapter 12L provisions regarding public access to Proposer's meetings and records, and (ii) 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 RFP.

L. Reservations of Rights by the City

The issuance of this RFP does not constitute an agreement by the City that any contract will actually be entered into by the City. The City expressly reserves the right at any time to do any or all of the following:

1. Waive or correct any defect or informality in any response or Proposal procedure;
2. Reject any or all Proposals;
3. Reissue a Request for Proposal;

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.

M. No Waiver

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

N. Airport Small Business Program on Federally Funded Contracts

1. It is the policy of the Airport to ensure that local and small disadvantaged businesses shall have the maximum practicable opportunity to participate and receive Airport contracts funded by the Federal Aviation Administration (FAA).
1. The Airport will encourage all Bidders/Proposers to utilize “best efforts” to contract at least ten percent (10%) of the work to certified small and disadvantaged businesses (SDB) on federal funded contracts as subcontractors, joint venture partners and/or suppliers/vendors. Bidders/Proposers will be required to identify these businesses on Airport Form 0435 (Appendix C). The small businesses must be certified as DBEs, LBEs or SBEs in order to be counted toward small business participation goal of ten percent (10%). These businesses will be required to submit a current certification letter and/or number to the Airport. These certified businesses can be found on the following websites:
 - a. California Unified Certification Program (CUCP) website: www.californiaucp.com
 - b. San Francisco Human Rights Commission (HRC) website: <http://www.sf-hrc.org/index.aspx?page=74>
 - c. United States Small Business Administration (SBA), (13 CFR Part 124, Subpart B) website: www.sba.gov
2. The Airport’s Disadvantaged Business Enterprise Liaison Officer (DBELO) will monitor the “best efforts” of Bidders/Proposers to utilize small businesses by reviewing AIRPORT Form 0435 and the level of participation on the contracts. Any questions about the Airport’s small disadvantaged business participation goal, the Bidders/Proposers will be direct to contact the DBELO at (650) 821-5021 or via email: SFO.ASBAO@flysf.com.

VII. CITY AND AIRPORT CONTRACT REQUIREMENTS**A. Standard Contract Provisions**

1. The successful Proposer will be required to enter into a contract substantially in the form of the Agreement issued by the Commission, attached hereto as Appendix D. Failure to timely execute

the contract, or to furnish any and all insurance certificates and policy endorsements, surety bonds or other materials required in the contract, shall be deemed an abandonment of a contract offer. The City, in its sole discretion, may select another Proposer and may proceed against the original selectee for damages.

2. Proposers are urged to pay special attention to the requirements of Administrative Code Chapters 12B and 12C, Nondiscrimination in Contracts and Benefits, (§34 in the Agreement); the Minimum Compensation Ordinance (§43 in the Agreement); the Health Care Accountability Ordinance (§44 in the Agreement); the First Source Hiring Program (§45 in the Agreement); and applicable conflict of interest laws (§23 in the Agreement), as set forth in paragraphs B, C, D, E and F below.

B. Nondiscrimination in Contracts and Benefits

The successful Proposer will be required to agree to comply fully with and be bound by the provisions of 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. Chapter 12C requires nondiscrimination in contracts in public accommodation. Additional information on Chapters 12B and 12C is available on the HRC's website at http://www.sfgov.org/site/sfhumanrights_index.asp?id=4584.

C. Minimum Compensation Ordinance (MCO)

1. The successful Proposer will be required to agree to comply fully with and be bound by the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco 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.
2. For the amount of hourly gross compensation currently required under the MCO, see www.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.
3. Additional information regarding the MCO is available on the web at www.sfgov.org/olse/mco.

D. Health Care Accountability Ordinance (HCAO)

The successful Proposer will be required to agree to comply fully with and be bound by the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q. Contractors should 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 www.sfgov.org/olse/hcao.

E. First Source Hiring Program (FSHP)

1. The First Source Hiring Program is Chapter 83 of the San Francisco Administrative Code, and it applies to (i) entry-level positions for work performed by a contractor in the City; (ii) entry-level

positions for work performed on contracts in Alameda, San Francisco or San Mateo counties; (iii) entry-level positions for work performed on the contract on property owned by the City; and (iv) entry-level positions for work done under a permit authorization on a development project in the City. For more information, call the First Source Hiring Administrator at (415) 401-4960.

2. If the contract is for more than \$50,000, then the First Source Hiring Program (San Francisco Administrative 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.
3. Contractors should 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://www.sfhsa.org/302.htm> and from the First Source Hiring Administrator, (415) 401-4960.

F. Conflicts of Interest

1. The successful Proposer will be required to 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 successful 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.
2. Individuals who will perform work for the City on behalf of the successful 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 ten calendar days of the City notifying the successful Proposer that the City has selected the Proposer.

G. Airport Intellectual Property

Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All Proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior consent.

H. Labor Peace / Card Check Rule

Without limiting the generality of other provisions herein requiring Contractor to comply with all Airport Rules, Contractor shall comply with the Airport's Labor Peace/Card Check Rule, adopted on February 1, 2000, pursuant to Airport Commission Resolution No.00-0049 (the "Labor Peace/Card Check Rule"). Capitalized terms not defined in this provision are defined in the Labor Peace/Card Check Rule. To comply with the Labor Peace Card Check Rule, Contractor shall, among other actions: (i) Enter into a Labor Peace/Card Check Agreement with any Labor Organization which requests such an agreement and which has registered with the Airport Director or his/her designee,

within thirty (30) days after the Labor Peace/Card Check Agreement has been requested; (ii) Not less than thirty (30) days prior to the modification of this Agreement, Contractor shall provide notice by mail to any Labor Organization or federation of labor organizations which have registered with the Director or his/her designee ("registered labor organization"), that Contractor is seeking to modify or extend this Agreement; (iii) Upon issuing any request for Proposals, invitations to bid, or similar notice, or in any event not less than thirty (30) days prior to entering into any Subcontract, Contractor shall provide notice to all registered Labor Organizations that Contractor is seeking to enter into such Subcontract; and (iv) Contractor shall include in any subcontract with a Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor to comply with the requirements of the Labor/Peace/Card Check Rule. If Airport Director determines that Contractor shall have violated the Labor/Peace/Card Check Rule, Airport Director shall have the option to terminate this Agreement, in addition to exercising all other remedies available to him/her.

VIII. PROTEST PROCEDURES

A. Protest of Non-Responsiveness Determination

Within five (5) working days of the City's issuance of a notice of non-responsiveness, any Proposer that has submitted a response to this RFP and believes that the City has incorrectly determined that its response is non-responsive may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth working day following the City'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 City to determine the validity of the protest.

B. Protest of Contract Award

1. Within five (5) working days of the City's issuance of a notice of intent to award the contract, any Proposer that has submitted a responsive response and believes that the City has incorrectly selected another Proposer for award may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth working day after the City's issuance of the notice of intent to award.
2. 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. Delivery of Protests

All protests must be received by the due dates specified above. If a protest is mailed, the protestor bears the risk of non-delivery within the deadlines specified herein. Protests should be transmitted by a means that will objectively establish the date the City received the protest. Protests or notice of protests made orally (e.g., by telephone) will not be considered. Protests must be mailed or faxed to:

Ivar Satero
Deputy Airport Director

San Francisco International Airport
Jason Yuen Architecture & Engineering Building
P.O. Box 8097
San Francisco, CA 94128
FAX: (650) 821-2944

IX. FEDERAL CONTRACT PROVISIONS

The following provisions included in subparts A-J below in this section IX are clauses that shall be included without modification in the successful Proposer's contract with the Airport.

A. CIVIL RIGHTS ACT OF 1964, TITLE VI – CONTRACTOR CONTRACTUAL REQUIREMENTS

During the performance of this contract, the Contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "Contractor") agrees as follows:

1. **Compliance with Regulations.** The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination.** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment.** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. **Information and Reports.** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the Airport or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the Airport or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance.** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Airport shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

- a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
 - b. Cancellation, termination, or suspension of the contract, in whole or in part.
6. **Incorporation of Provisions.** The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Airport or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Airport to enter into such litigation to protect the interests of the Airport and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

B. AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 - GENERAL CIVIL RIGHTS PROVISIONS

The contractor assures that it will comply with pertinent statutes, Executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport a program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the Airport or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits or (b) the period during which the Airport or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

C. PARTICIPATION BY DISADVANTAGED BUSINESS ENTERPRISES IN PROGRAM

1. **Contract Assurance (§26.13)** - The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.
2. **Prompt Payment (§26.29)** - The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from the City and County of San Francisco. The prime contractor agrees further to return retainage payments to each subcontractor within 3 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the City and County of San Francisco. This clause applies to both DBE and non-DBE subcontractors.

3. The Airport DBELO monitors and ensures all subcontractors working on Airport contracts are paid in a timely manner. Airport prime contractors are required to complete Federal Progress Payment forms when submitting payment invoices to the Airport. The payment reporting forms are:

Federal Form 3: Airport Federal Progress Payment Report

Federal Form 5: Airport Federal Contract Exit Report & Affidavit

The reporting forms should be returned to the Airport Small Business Affairs Office (ASBAO) via interoffice, fax to (650) 821-4004 or email to: Sandra.Crumpler@flysfso.com.

D. LOBBYING AND INFLUENCING FEDERAL EMPLOYEES

1. No Federal appropriated funds shall be paid, by or on behalf of the contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant and the amendment or modification of any Federal grant.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal grant, the contractor shall complete and submit Standard Form-LLL, "Disclosure of Lobby Activities," in accordance with its instructions.

E. ACCESS TO RECORDS AND REPORTS

The Contractor shall maintain an acceptable cost accounting system. The Contractor agrees to provide the Airport, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representative's access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

F. BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the contractor or their subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. The duties and obligations imposed by the Agreement and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law.

G. RIGHTS TO INVENTIONS

All rights to inventions and materials generated under this contract are subject to regulations issued by the FAA and the Sponsor of the Federal grant under which this contract is executed.

H. TRADE RESTRICTION CLAUSE

1. The contractor or subcontractor, by submission of an offer and/or execution of a contract, certifies that it:
 - a. Is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);
 - b. Has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list;
 - c. Has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list.
2. Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to a contractor or subcontractor who is unable to certify to the above. If the contractor knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the project, the Federal Aviation Administration may direct through the Airport cancellation of the contract at no cost to the Government.
3. Further, the contractor agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. The contractor may rely on the certification of a prospective subcontractor unless it has knowledge that the certification is erroneous.
4. The contractor shall provide immediate written notice to the Airport if the contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The subcontractor agrees to provide written notice to the contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.
 - a. This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the Airport cancellation of the contract or subcontract for default at no cost to the Government.
5. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
6. This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

I. TERMINATION OF CONTRACT

1. The Airport may, by written notice, terminate this contract in whole or in part at any time, either for the Airport's convenience or because of failure to fulfill the contract obligations. Upon receipt of such notice services shall be immediately discontinued (unless the notice directs otherwise) and all materials as may have been accumulated in performing this contract, whether completed or in progress, delivered to the Airport.
2. If the termination is for the convenience of the Airport, an equitable adjustment in the contract price shall be made, but no amount shall be allowed for anticipated profit on unperformed services.
3. If the termination is due to failure to fulfill the contractor's obligations, the Airport may take over the work and prosecute the same to completion by contract or otherwise. In such case, the contractor shall be liable to the Airport for any additional cost occasioned to the Airport thereby.
4. If, after notice of termination for failure to fulfill contract obligations, it is determined that the contractor had not so failed, the termination shall be deemed to have been effected for the convenience of the Airport. In such event, adjustment in the contract price shall be made as provided in paragraph 1.2 of this clause.
5. The rights and remedies of the Airport provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

J. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

The Proposer certifies, by submission of this Proposal or acceptance of this contract, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. It further agrees by submitting this Proposal that it will include this clause without modification in all lower tier transactions, solicitations, Proposals, contracts, and subcontracts. Where the Proposer or any lower tier participant is unable to certify to this statement, it shall attach an explanation to this solicitation/Proposal.



APPENDIX A

STATEMENT OF MINIMUM QUALIFICATIONS

STATEMENT OF MINIMUM QUALIFICATIONS

Proposers must declare under penalty of perjury that they or an individual committed to their team on this project meets each of the following minimum qualifications. Please respond to each question by checking "YES" or "NO" in the space provided and attach appropriate supporting documentation which would validate your response to the question. Sign the form and submit it with your proposal in envelope 1. Answering "NO" to any of the following minimum qualifications will disqualify a proposer from submitting a proposal on this project.

1. Have you, or has the lead proposer on your team, managed a construction project in the last five years that included the implementation of the Federal Aviation's Administration's (FAA) specifications and standards?	YES	NO
2. In the last five years, have you, or has the lead proposer on your team, managed a phased construction project, valued at ten million dollars (\$10,000,000) or more, during live operations at a public facility?	YES	NO
3. Do you have a scheduler on your team who has operated Primavera P6?	YES	NO
4. Do you have team members who have operated each of the following software programs: MS SharePoint; MS Word; Excel; MS Access; and Ms Project?	YES	NO
5. In the past five years, have you managed a construction project for which you have performed ALL of the following tasks: scheduling, budgeting, estimating, and preparation of progress reports?	YES	NO
6. In the last five years, have you conducted testing in the field of the FAA NAVID system?	YES	NO
7. In the last five years, have you conducted field photometric testing of airfield lighting in accordance with FAA Advisory Circular 150/5345-46C?	YES	NO
8. In the last five years, have you conducted peer and quality assurance reviews of design deliverables on a construction project?	YES	NO
9. In the last five years, have you conducted peer and quality assurance reviews of construction documents, including constructability reviews, on a construction project?	YES	NO
10. In the past five years, have you managed a construction project that included managing project documents, including submittals, RFIs, and change orders?	YES	NO

I declare under penalty of perjury and under the laws of the State of California that the attestations of meeting the minimum qualifications set forth above are true and correct and of my personal knowledge.

Signed: _____ Dated: _____

Typed Name: _____ Title: _____

Company: _____



APPENDIX B

SERVICES TO BE PROVIDED BY CONTRACTOR

APPENDIX B

SERVICES CONTRACTOR AGREES TO PERFORM

SERVICES CONTRACTOR AGREES TO PERFORM

This document provides the anticipated Services Contractor Agrees to Perform to be performed under a contract awarded to the Contractor for the Runway Safety Area (RSA) Program. The final Services Contractor Agrees to Perform will be negotiated based on the requirements of each project and associated tasks to be assigned to the Contractor. The below list of tasks, therefore, is as comprehensive as possible at the outset of the project. Because tasks will necessarily be added and/or deleted as the project progresses, it is not possible to present a complete list of all tasks that could be finally assigned to the Contractor. Phase I of the RSA Program consists of work in South Field and runways 10-28s areas. Phase II involves work related to the runways 1-19s.

A. PROJECT SCHEDULING

1. Contractor shall compile and validate construction project schedules related to the work on Phase I and Phase II from all Airport engineers, contractors, and Contractors, as well as from other agencies in order to compile a comprehensive construction schedule. The schedule that the Contractor is to prepare shall include, at a minimum, the following activities: timing to complete construction of RSAs and timing to relocate and/or install FAA Nav-Aids.
2. Contractor shall develop, review, update, and monitor project schedules at various levels appropriate to the required management level during all project phases as directed by the Airport's RSA Airport Program Manager.
3. Contractor shall identify and analyze dependencies, controls, and interfaces among projects, with other airport operational activities, and/or with external projects. Perform alternative analysis project sequence to optimize project implementation.
4. Contractor shall utilize Primavera P6 for the RSA Master Schedule.
5. Contractor shall provide schedule reporting and analysis services to the Airport Program Manager for various management reporting levels and to incorporate to the RSA Master Schedule in use by the RSA Program Team (AECOM Technical Services under Contract 8792C.)

B. PROJECT CONTROLS AND REPORTING

1. Contractor shall utilize the document controls system currently in use by the RSA Program Team (AECOM Technical Services under Contract 8792C.)
2. Current software in use by the Commission includes MS SharePoint, MS Word, Excel, MS Access, and MS Project. All deliverables and reports shall be in electronic format compatible with the Commission's current software applications, and must be accompanied by multiple (quantity determined by the Commission) hard copy color duplicates, unless alternatives are proposed and accepted for use by the Commission.
3. Weekly/Monthly Schedule Reports

- a. Schedule Updates: Monitor progress in relationship to the existing baseline schedules. Prepare detailed monthly schedule reports and schedule trend reports.
- b. Project Progress Reports
 - (1) Prepare project progress reports: Reports shall be developed to the appropriate level suitable for distribution to different management levels within the Commission organization as well as the Public. Provide reports quarterly or at other frequency to be determined by the Commission.
 - (2) Collect data from information (scope, schedule and budget information) provided by Commission staff, other Contractors and outside agencies and compile, and present the information in a comprehensive format.
- c. Contractor's Progress Report

Contractor will submit a written quarterly report to the Commission on services provided to the Commission under this Agreement. The Contractor will report on its progress and any problems in performing the Work of which the Contractor becomes aware.

C. PROJECT BUDGET

The Contractor shall be required to support the Commission's financial analyses by performing the following for Phase II, runways 1-19s work:

- 1. Analyzing financial consequences of design alternatives, alternatives resulting from value engineering reviews of design and construction techniques, and costs due to site and schedule constraints.
- 2. Providing project level cost and trend management services.
- 3. Providing cost estimates for construction, and engineer's estimates.

D. FAA NAVAID CONSTRUCTION SUPPORT

- 1. **NAVAID CONSTRUCTION PHASE I (R/WS 10-28s) AND PHASE II (R/W 1-19s)**
 - a. Contractor shall provide construction support during installation, testing and acceptance of the FAA NAVAID system. The Contractor shall apply knowledge of FAA's testing and acceptance procedures to ensure schedule is met.
 - b. Contractor shall review and monitor construction schedules and coordinate schedules with other RSA phases and disciplines.
 - c. Contractor shall examine FAA equipment being incorporated into the work to verify that they are handled, stored, and installed properly.
 - d. Contractor shall attend job site and coordination meetings.

- e. Field Acceptance Testing of New Systems. The Contractor shall provide field photometric testing of airfield lighting fixtures in accordance with FAA Advisory Circular 150/5345-46C. Light Fixtures tested shall include runway lighting centerline, touchdown zone lighting, runway edge, ALSF-2 in-pavement light fixtures, taxiway centerline lights, guidance signs, and MALSR in-pavement light fixtures. The goal of the testing is to ensure that either FAA or Airport's contractor's installed the base cans and lights in accordance with the appropriate FAA criteria. The Contractor shall provide a report detailing fixture compliance and associated errors and problems. The reports shall be stamped and signed by a Professional Electrical Engineer with minimum five (5) years of experience in testing and evaluating FAA and airfield lighting fixtures.
- f. The Contractor shall conduct final inspections prior to project acceptance, notify the Airport in a timely manner of the results of the inspections, and administer acceptance procedures and tests for each phase of the project.

E. DESIGN MANAGEMENT FOR PHASE II, RUNWAYS 1-19s

1. Airport Engineering Staff has completed the design of Phase I, South Field and Runways 10-28s. The Contractor shall provide design oversight and monitor design progress and deliverables and recommend corrective action when required, for the next Phase II work.
2. Contractor shall provide third party peer and quality assurance reviews of design deliverables and construction documents.
3. Contractor shall assist in the development of project design standards.
4. Contractor shall assist with pre-design and/or pre-construction activities, similar to those listed above.

F. CONTRACTOR'S/AIRPORT'S FIELD OFFICE

1. Remove and dispose Airport's field office trailer off of Airport property. The existing double-wide office trailer has some weather related damages, including mold and wall panel dry rot.
2. Provide a double-wide, field office that is weather-tight with lighting, electrical outlets, heating and ventilation equipment, and equipped with office furniture, for Contractor and Airport staff use. Anticipate providing two Airport staff work spaces and one construction meeting room.

G. CONSTRUCTION MANAGEMENT FOR PHASE I AND PHASE II

1. Contractor shall perform the following construction oversight services for Phase II:
 - a. Review construction documents for constructability, impact to Airport operations, and consistency with the project schedule.
 - b. Review construction work plans.

- c. Assist the Airport in managing the submission of samples, shop drawings, operation & Maintenance (O&M) manuals, and other submittals between contractors and the Commission, And to maintain a log of all submittals.
 - d. Maintain a log of any requests for information and will prepare response.
 - e. Review contractor reports, as-built drawings, and other construction documentation and ensure information is captured in the Commission's record keeping system.
 - f. Provide other necessary tasks in support of the RSA construction as directed by the Commission's appointed representative.
2. The Contractor shall perform the following construction oversight services for Phase I and II:
- a. Identify problems encountered in accomplishing the Work and recommend appropriate action to the Commission in order to resolve problems with a minimum effect on the timely completion of the project.
 - b. Attend job site meetings, prepare meeting minutes, review and communicate information presented.
 - c. Provide as-requested on-site inspection of the progress and quality of the construction work.
 - d. Review and/or prepare construction quality assurance/quality control plans.
 - e. Support dispute and/or claim resolution analysis and reconciliation efforts.
 - f. Examine material and equipment being incorporated into the work to verify that they are handled, store, and installed properly.
 - g. Coordinate or procure the services of testing laboratories to assure that the proper number and type of tests are being performed in a timely manner.

END OF APPENDIX B



APPENDIX C

STANDARD FORMS



Appendix C

STANDARD FORMS

Before the City can award any contract to a contractor, that contractor must file three standard City forms (items 1-3 on the chart). Because many contractors have already completed these forms, and because some informational forms are rarely revised, the City has not included them in the RFP package. Instead, this Appendix describes the forms, where to find them on the Internet (see bottom of page 2), and where to file them. If a contractor cannot get the documents off the Internet, the contractor should call (415) 554-6248 or e-mail Purchasing (purchasing@sfgov.org) and Purchasing will fax, mail or e-mail them to the contractor.

If a contractor has already filled out items 1-3 (see note under item 3) on the chart, **the contractor should not do so again unless the contractor's answers have changed**. To find out whether these forms have been submitted, the contractor should call Vendor File Support in the Controller's Office at (415) 554-6702.

If a contractor wants to be certified as a Disadvantaged Business Enterprise (DBE), the certification process and application are available on http://www.dot.ca.gov/hq/bep/business_forms.htm

Item	Form Name and Internet Location	Form Number	Description	For more information
1.	Request for Taxpayer Identification Number and Certification http://sfgsa.org/index.aspx?page=4762 www.irs.gov/pub/irs-pdf/fw9.pdf (Form W-9) www.irs.gov/pub/irs-pdf/iw9.pdf (instructions for W-9)	W-9	The City needs the contractor's taxpayer ID number on this form. If a contractor has already done business with the City, this form is not necessary because the City already has the number.	Controller's Office Vendor File Support City Hall, Room 484 San Francisco, CA 94102 (415) 554-6702

Item	Form Name and Internet Location	Form Number	Description	For more information
2.	Business Tax Declaration http://sfgsa.org/index.aspx?page=4762	P-25	All contractors must sign this form to determine if they must register with the Tax Collector, even if not located in San Francisco. All businesses that qualify as “conducting business in San Francisco” must register with the Tax Collector.	Controller’s Office Vendor File Support City Hall, Room 484 San Francisco, CA 94102 (415) 554-6702
3.	S.F. Administrative Code Chapters 12B & 12C Declaration: Nondiscrimination in Contracts and Benefits http://www.sf-hrc.org/index.aspx?page=31	HRC-12B-101	Contractors tell the City if their personnel policies meet the City’s requirements for nondiscrimination against protected classes of people, and in the provision of benefits between employees with spouses and employees with domestic partners. Form submission is not complete if it does not include the additional documentation asked for on the form. Other forms may be required, depending on the contractor’s answers on this form. (Note: Contract-by-Contract Compliance status vendors must fill out an additional form for each contract.)	Human Rights Commission 25 Van Ness, Suite 800 San Francisco, CA 94102-6059 (415) 252-2500
4.	USDOT, Federal Regulations CFR 49 Parts 23 and 26 California Unified Certification Program (UCP) http://www.dot.ca.gov/hq/bep/ucp.htm	CUCP DBE/ACDBE Certification Application	Interested businesses complete this form to be certified as a DBE or ACDBE.	Airport Small Business Affairs Office (ASBAO) (650) 821-5021 SFO.ASBAO@flysf.o.com

Item	Form Name and Internet Location	Form Number	Description	For more information
5.	Airport Federal Payment Reporting Forms 1. Airport Federal Progress Payment Report – Federal Form 3 2. Airport Federal Contract Modification – Federal Form 4 3. Airport Federal Contract Exit Report and Affidavit – Federal Form 5	Federal Form 3 Federal Form 4 Federal Form 5	1. This form must be completed by the Contractor and submitted to the Airport with the monthly progress payment requests. 2. This form must be completed by the Contractor for modifications to the contract. 3. This form must be completed by the Contractor and submitted with the final progress payment requests.	Airport Small Business Affairs Office (ASBAO) (650) 821-5021 SFO.ASBAO@flysf.o.com

Where the forms are on the Internet

Office of Contract Administration

OCA Homepage:

<http://www.sfgov.org/oca/>

Human Rights Commission

HRC Homepage:

Equal Benefits forms:

<http://www.sf-hrc.org/index.aspx?page=1>

<http://sf-hrc.org/index.aspx?page=96>

Disadvantaged Business Enterprise (DBE)

California Unified Certification Program (CUCP)

DBE Application Form

<http://www.dot.ca.gov/hq/bep/ucp.htm>

END OF APPENDIX



APPENDIX D

AIRPORT DOCUMENT 00435

DOCUMENT 00435 (FEDERAL PROPOSER'S LIST)
CONTRACTOR/SUBCONTRACTOR LIST

In accordance with Section 26.11 of the Code of Federal Regulations (49 CFR Part 26), Record Keeping Requirements – Proposers List: 26.11(c), this form shall be completed by each firm and all subcontractors quoting on the project as indicated below.

I. PROPOSER'S INFORMATION

1. BIDDER'S NAME		TYPE OF WORK	
2. ADDRESS (City, State, Zip Code)			
3. PHONE NO.	4. VENDOR NO.	5. FEDERAL ID NO.	
6. LICENSE NO.	7. SF BUSINESS TAX REG. NO.	8. BID AMOUNT \$	
9. DBE ☐ NON DBE ☐	10. AGE OF FIRM	11. ANNUAL GROSS RECEIPTS OF THE FIRM \$	

II. SUBCONTRACTOR'S INFORMATION

1. SUBCONTRACTOR'S NAME		TYPE OF WORK	
2. ADDRESS (City, State, Zip Code)			
3. PHONE NO.	4. VENDOR NO.	5. FEDERAL ID NO.	
6. LICENSE NO.	7. SF BUSINESS TAX REG. NO.	8. BID AMOUNT \$	
9. DBE ☐ NON DBE ☐	10. AGE OF FIRM	11. ANNUAL GROSS RECEIPTS OF THE FIRM \$	

1. SUBCONTRACTOR'S NAME		TYPE OF WORK	
2. ADDRESS (City, State, Zip Code)			
3. PHONE NO.	4. VENDOR NO.	5. FEDERAL ID NO.	
6. LICENSE NO.	7. SF BUSINESS TAX REG. NO.	8. BID AMOUNT \$	
9. DBE ☐ NON DBE ☐	10. AGE OF FIRM	11. ANNUAL GROSS RECEIPTS OF THE FIRM \$	

1. SUBCONTRACTOR'S NAME		TYPE OF WORK	
2. ADDRESS (City, State, Zip Code)			
3. PHONE NO.	4. VENDOR NO.	5. FEDERAL ID NO.	
6. LICENSE NO.	7. SF BUSINESS TAX REG. NO.	8. BID AMOUNT \$	
9. DBE ☐ NON DBE ☐	10. AGE OF FIRM	11. ANNUAL GROSS RECEIPTS OF THE FIRM \$	

END OF DOCUMENT



APPENDIX E

PROFESSIONAL SERVICES AGREEMENT TEMPLATE

**City and County of San Francisco
Airport Commission
P.O. Box 8097
San Francisco, California 94128**

Agreement between the City and County of San Francisco and

[insert name of contractor]

Contract No. 9230.9

This Agreement is made this **[insert day]** day of **[insert month]**, 20 **[insert year]**, in the City and County of San Francisco, State of California, by and between: **[insert name and address of contractor]**, hereinafter referred to as “Contractor,” and the City and County of San Francisco, a municipal corporation, hereinafter referred to as “City,” acting by and through its Airport Commission or the Commission’s designated agent, hereinafter referred to as “**Commission.**”

Recitals

WHEREAS, Commission wishes to **[insert short description of services required]**; and,

WHEREAS, Commission is authorized to enter into all contracts which relate to matters under its jurisdiction; and

WHEREAS, a Request for Proposal (“RFP”) was issued on **[insert date]**, and City selected Contractor as the highest qualified scorer pursuant to the RFP; and

WHEREAS, Commission awarded this contract to Contractor on **[insert date]**, pursuant to Resolution No. **[insert resolution number]**; and

WHEREAS, Contractor represents and warrants that it is qualified to perform the services required by City as set forth under this Contract; and,

WHEREAS, approval for this Agreement was obtained when the Civil Service Commission approved Contract number **[insert PSC number]** on **[insert date of Civil Service Commission action]**;

Now, THEREFORE, the parties agree as follows:

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, 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.

2. Term of the Agreement. Subject to Section 1, the term of this Agreement shall be from **[insert beginning date]** to **[insert termination date]**.

3. Effective Date of Agreement. This Agreement shall become effective when the Controller has certified to the availability of funds and Contractor has been notified in writing.

4. Services Contractor Agrees to Perform. The Contractor agrees to perform the services provided for in Appendix A, "Services Contractor Agrees to Perform," attached hereto and incorporated by reference as though fully set forth herein. If Appendix A includes as-needed services, such services shall be requested by City through the issuance of a written task order signed by City and Contractor, which task order shall be made a part of and incorporated into the Agreement as though fully set forth herein without the need for a formal amendment to the Agreement. The task order shall include a description of the as-needed services, the deliverables, schedule for performance, cost, and method and timing of payment.

5. Compensation.

A. Compensation shall be made in monthly payments on or before the **[insert day]** day of each month for work, as set forth in Section 4 of this Agreement, that the Airport Director or designee, in his or her sole discretion, concludes has been performed as of the **[insert day]** day of the immediately preceding month. 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 costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by **[insert name of department]** as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

B. The Contractor agrees to pay each subcontractor under this Agreement for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from City. The Contractor agrees further to return retention payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the City. This clause applies to both DBE and non-DBE subcontractors.

C. The Controller is not authorized to pay monthly payment requests/invoices submitted by Contractor prior to Contractor's submission of Airport Federal Progress Payment Report – Federal Form 3 and Airport Federal Contract Exit Report and Affidavit – Federal Form 5 with the final payment request/invoice.

D. In no event shall City be liable for interest or late charges for any late payments.

6. 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 laws governing emergency procedures, officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Commodities or Services beyond the agreed upon contract scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of the City are not authorized to offer or

promise, nor is the City required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.

7. Payment; Invoice Format. Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller, and must include a unique invoice number. All amounts paid by City to Contractor shall be subject to audit by City. Payment shall be made by City to Contractor at the address specified in the section entitled “Notices to the Parties.”

8. Submitting False Claims; Monetary Penalties. Pursuant to San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. The text of Section 21.35, along with the entire San Francisco Administrative Code is available on the web at http://www.amlegal.com/nxt/gateway.dll?f=templates&fn=default.htm&vid=amlegal:sanfrancisco_ca . A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (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.

9. Disallowance. If Contractor claims or receives payment from City for a service, reimbursement for which is later disallowed by the State of California or United States Government, Contractor shall promptly refund the disallowed amount to City upon City’s request. At its option, City may offset the amount disallowed from any payment due or to become due to Contractor under this Agreement or any other Agreement. By executing this Agreement, Contractor certifies that Contractor is not suspended, debarred or otherwise excluded from participation in federal assistance programs. Contractor acknowledges that this certification of eligibility to receive federal funds is a material terms of the Agreement.

10. Taxes. Payment of any taxes, including possessory interest taxes and California sales and use taxes, levied upon or as a result of this Agreement, or the services delivered pursuant hereto, shall be the obligation of Contractor. Contractor recognizes and understands 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:

A. 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;

B. 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.

C. 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., Revenue & 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.

D. 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.

11. Payment Does Not Imply Acceptance of Work. The granting of any payment by City, or the receipt thereof by Contractor, shall in no way lessen the liability of Contractor 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 City and in such case must be replaced by Contractor without delay.

12. Qualified Personnel. Work under this Agreement shall be performed only by competent personnel under the supervision of and in the employment of Contractor. Contractor will comply with City's reasonable requests regarding assignment of personnel, but all personnel, including those assigned at City's request, and must be supervised by Contractor. Contractor shall commit adequate resources to complete the Program within the Program schedule specified in this Agreement.

13. Responsibility for Equipment. City shall not be responsible for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or by any of its employees, even though such equipment be furnished, rented or loaned to Contractor by City.

14. Independent Contractor; Payment of Taxes and Other Expenses.

A. **Independent Contractor.** 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 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.

B. **Payment of 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 the preceding two paragraphs shall be solely for 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, should any court, arbitrator, or administrative authority determine that Contractor is an employee for any other purpose, then Contractor agrees to a reduction in City's financial liability so that City's total expenses under this Agreement are not greater than they would have been had the court, arbitrator, or administrative authority determined that Contractor was not an employee.

15. Insurance.

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

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

(2) Commercial General Liability Insurance with limits not less than \$2,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

(3) 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.

(4) Professional liability insurance, applicable to Contractor's profession, with limits not less than \$2,000,000 per occurrence with respect to negligent acts, errors or omissions in connection with professional services to be provided under this Agreement.

B. Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

(1) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

(2) That such policies are primary insurance to any other insurance available to the Additional Insured, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

C. Regarding Workers' Compensation, Contractor hereby agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy 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.

D. All policies shall provide thirty days' advance written notice to the City of reduction or nonrenewal of coverage or cancellation of coverage for any reason. Notices shall be sent to the City address in the "Notices to the Parties" section.

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

F. 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.

G. 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.

H. Before commencing any operations under this Agreement, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverage set forth above. Failure to maintain insurance shall constitute a material breach of this Agreement.

I. Approval of the insurance by City shall not relieve or decrease the liability of Contractor hereunder.

J. If a subcontractor will be used to complete any portion of this agreement, the Contractor shall ensure that the subcontractor shall provide all necessary insurance and shall name the City and County of San Francisco, its officers, agents and employees and the Contractor listed as additional insured.

16. Indemnification. Contractor shall indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims thereof for injury to or death of a person, including employees of Contractor or loss of or damage to property, arising 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 in effect on or validly retroactive to the date of this Agreement, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and

City's costs of investigating any claims against the City. In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter. Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons in consequence of the use by City, or any of its officers or agents, of articles or services to be supplied in the performance of this Agreement.

17. 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. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.

18. Liability of City. CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 5 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.

19. Liquidated Damages. LEFT BLANK BY AGREEMENT OF THE PARTIES

20. Default; Remedies. Each of the following shall constitute an 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:

- | | |
|---|---------------------------------------|
| 8. Submitting False Claims | 37. Drug-free Workplace Policy, |
| 10. Taxes | 53. Compliance with Laws |
| 15. Insurance | 55. Supervision of Minors |
| 24. Proprietary or Confidential Information of City | 57. Protection of Private Information |
| 30. Assignment | 58. Graffiti Removal |

B. Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, and such default continues for a period of ten days after written notice thereof from City to Contractor.

C. Contractor (a) is generally not paying its debts as they become due, (b) 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, (c) makes an assignment for the benefit of its creditors, (d) 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 (e) takes action for the purpose of any of the foregoing.

D. A court or government authority enters an order (a) 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, (b) 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 (c) ordering the dissolution, winding-up or liquidation of Contractor.

E. 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, 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 all damages, losses, costs or expenses incurred by City as a result of such Event of Default and any liquidated damages due from Contractor pursuant to the terms of this Agreement or any other agreement. 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.

21. Termination for Convenience

A. 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.

B. Upon receipt of the notice, 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 shall include, without limitation:

(1) Halting the performance of all services and other work under this Agreement on the date(s) and in the manner specified by City.

(2) Not placing any further orders or subcontracts for materials, services, equipment or other items.

(3) Terminating all existing orders and subcontracts.

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

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

(6) Completing performance of any services or work that City designates to be completed prior to the date of termination specified by City.

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

C. Within 30 days after the specified termination date, Contractor shall submit to City an invoice, which shall set forth each of the following as a separate line item:

(1) The reasonable cost to Contractor, without profit, for all services and other work City directed Contractor to perform prior to the specified termination date, for which services or work City 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 or other work. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.

(2) A reasonable allowance for profit on the cost of the services and other work described in the immediately preceding subsection (1), provided that Contractor can establish, to the satisfaction of City, that Contractor would have made a profit had all services and other work under this Agreement been completed, and provided further, that the profit allowed shall in no event exceed 5% of such cost.

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

(4) 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 City, and any other appropriate credits to City against the cost of the services or other work.

D. In no event shall City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by City, except for those costs specifically enumerated and described in the immediately preceding subsection (C). Such non-recoverable costs include, but are not limited to, anticipated profits on 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 such subsection (C).

E. In arriving at the amount due to Contractor under this Section, City may deduct: (1) all payments previously made by City for work or other services covered by Contractor's final invoice; (2) any claim which City may have against Contractor in connection with this Agreement; (3) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection (D); and (4) in instances in which, in the opinion of the City, the cost of any service or other work performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected services or other work, the difference between the invoiced amount and City's estimate of the reasonable cost of performing the invoiced services or other work in compliance with the requirements of this Agreement.

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

22. Rights and Duties upon Termination or Expiration. This Section and the following Sections of this Agreement shall survive termination or expiration of this Agreement:

8. Submitting False Claims
9. Disallowance
10. Taxes

11. Payment Does Not Imply Acceptance of Work
13. Responsibility for Equipment

- | | |
|---|---|
| 14. Independent Contractor; Payment of Taxes and Other Expenses | 28. Audit and Inspection of Records |
| 15. Insurance | 48. Modification of Agreement. |
| 16. Indemnification | 49. Administrative Remedy for Agreement Interpretation. |
| 17. Incidental and Consequential Damages | 50. Agreement Made in California; Venue |
| 18. Liability of City | 51. Construction |
| 24. Proprietary or Confidential Information of City | 52. Entire Agreement |
| 26. Ownership of Results | 56. Severability |
| 27. Works for Hire | 57. Protection of private information |

Subject to the immediately preceding sentence, upon termination of this Agreement prior to expiration of the term specified in Section 2, this Agreement shall terminate and 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. This subsection shall survive termination of this Agreement.

23. Conflict of Interest. Through its execution of this Agreement, Contractor acknowledges that it is familiar with the provision of 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, and certifies that it does not know of any facts which constitutes a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

24. Proprietary or Confidential Information of City. Contractor understands and agrees that, in the performance of the work or services under this Agreement or in contemplation thereof, Contractor may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Contractor agrees that all information disclosed by City to Contractor shall be held in confidence and used only in performance of 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 data.

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

To City: **[insert name or title of department contact person, name of department, mailing address, and e-mail address; fax number is optional]**

To Contractor: **[insert name of contractor, mailing address, e-mail address; fax number is optional]**

Any notice of default must be sent by registered mail.

26. Ownership of Results. Any interest of Contractor or its Subcontractors, in drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Contractor or its subcontractors in connection with services to be performed under this Agreement, shall become the property of and will be transmitted to City. However, Contractor may retain and use copies for reference and as documentation of its experience and capabilities.

27. Works for Hire. If, in connection with services performed under this Agreement, Contractor or its subcontractors create artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes or any other original works of authorship, 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 are the property of the City. If it is ever determined that any works created by Contractor or its subcontractors under this Agreement are not works for hire under U.S. law, Contractor hereby assigns all copyrights to such works to the City, and agrees to provide any material and execute any documents necessary to effectuate such assignment. With the approval of the City, Contractor may retain and use copies of such works for reference and as documentation of its experience and capabilities.

28. 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 work under this Agreement. 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 conferred upon City by this Section.

29. Subcontracting. Contractor is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is first approved by City 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 in violation of this provision shall confer no rights on any party and shall be null and void.

30. Assignment. The services to be performed by Contractor are personal in character and neither this Agreement nor any duties or obligations hereunder may be assigned or delegated by the Contractor unless first approved by City by written instrument executed and approved in the same manner as this Agreement.

31. 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.

32. Earned Income Credit (EIC) Forms. Administrative Code section 12O requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found. Contractor shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty days following the date on which this Agreement becomes effective (unless Contractor has already provided such EIC Forms at least once during the calendar year in which such effective date falls); (ii) promptly after any Eligible Employee is hired by Contractor; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement. Failure to comply with any requirement contained in subparagraph (a) of this Section shall constitute a material breach by Contractor of the terms of this Agreement. If, within thirty days after Contractor receives written notice of such a breach, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty days, Contractor fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law. Any Subcontract entered into by Contractor shall require the subcontractor to comply, as to the subcontractor's Eligible Employees, with each of the terms of this section. Capitalized terms used in this Section and not

defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

33. Federal Non-Discrimination Provisions

Contract Assurance: The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Parts 21 and 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate. These regulations are incorporated as though fully set forth therein. The contractor agrees to include the above statement in any subsequent concession agreement or contract that it enters and cause those businesses to similarly include the statements in further agreements.

34. Nondiscrimination; Penalties

A. **Contractor Shall Not Discriminate.** In the performance of this Agreement, Contractor agrees not to discriminate against any employee, City and County employee working with such contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

B. **Subcontracts.** Contractor shall incorporate by reference in all subcontracts the provisions of §§12B.2 (a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code (copies of which are available from Purchasing) and shall require all subcontractors to comply with such provisions. Contractor's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

C. **Nondiscrimination in Benefits.** 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 bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in §12B.2(b) of the San Francisco Administrative Code.

D. **Condition to Contract.** As a condition to this Agreement, Contractor shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

E. **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters,

including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Contractor understands that pursuant to §§12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Contractor and/or deducted from any payments due Contractor.

35. MacBride Principles—Northern Ireland. Pursuant to San Francisco Administrative Code §12F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Contractor acknowledges and agrees that he or she has read and understood this section.

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

37. Drug-Free Workplace Policy. Contractor acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City premises. Contractor agrees that any violation of this prohibition by Contractor, its employees, agents or assigns will be deemed a material breach of this Agreement.

38. Resource Conservation. Chapter 5 of the San Francisco Environment Code (“Resource Conservation”) is incorporated herein by reference. Failure by Contractor to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract.

39. Compliance with Americans with Disabilities Act. Contractor acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. Contractor shall provide the services specified in this Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Contractor agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Contractor, its employees, agents or assigns will constitute a material breach of this Agreement.

40. Sunshine Ordinance. In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors’ bids, responses to solicitations and all other records of communications between 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 or organization’s net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

41. Public Access to Meetings and Records. If the Contractor 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 San Francisco Administrative Code, Contractor shall comply with and be bound by all the applicable provisions of that Chapter. By executing this Agreement, the Contractor agrees to open its meetings and records to the public in the manner set forth in §§12L.4 and 12L.5 of the Administrative Code. Contractor further agrees to make-good faith efforts to promote community membership on its

Board of Directors in the manner set forth in §12L.6 of the Administrative Code. The Contractor acknowledges that its material failure to comply with any of the provisions of this paragraph shall constitute a material breach of this Agreement. The Contractor further acknowledges that such material breach of the Agreement shall be grounds for the City to terminate and/or not renew the Agreement, partially or in its entirety.

42. Limitations on Contributions. Through execution of this Agreement, Contractor acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with 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, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or the board of a state agency on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Contractor further acknowledges that 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 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Contractor further agrees to provide to City the names of each person, entity or committee described above.

43. Requiring Minimum Compensation for Covered Employees.

A. Contractor agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P.5 and 12P.5.1 of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at www.sfgov.org/olse/mco. A partial listing of some of Contractor's obligations under the MCO is set forth in this Section. Contractor is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

B. The MCO requires Contractor to pay Contractor's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Contractor is obligated to keep informed of the then-current requirements. Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Contractor's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Contractor.

C. Contractor shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

D. Contractor shall maintain employee and payroll records as required by the MCO. If Contractor fails to do so, it shall be presumed that the Contractor paid no more than the minimum wage required under State law.

E. The City is authorized to inspect Contractor's job sites and conduct interviews with employees and conduct audits of Contractor

F. Contractor's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Contractor fails to comply with these requirements. Contractor agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Contractor's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

G. Contractor understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

H. Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

I. If Contractor is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Contractor later enters into an agreement or agreements that cause contractor to exceed that amount in a fiscal year, Contractor shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Contractor and this department to exceed \$25,000 in the fiscal year.

44. Requiring Health Benefits for Covered Employees. Contractor agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of section 12Q.5.1 of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at www.sfgov.org/olse. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

A. 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.

B. Notwithstanding the above, if the Contractor is a small business as defined in Section 12Q.3 (e) of the HCAO, it shall have no obligation to comply with part (A) above.

C. Contractor's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Contractor if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5 (F) (1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

D. Any Subcontract entered into by Contractor shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Contractor shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Contractor shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Contractor based on the Subcontractor's failure to comply, provided that City has first provided Contractor with notice and an opportunity to obtain a cure of the violation.

E. Contractor shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Contractor's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

F. Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

G. Contractor shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

H. Contractor shall keep itself informed of the current requirements of the HCAO.

I. Contractor shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

J. Contractor shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

K. Contractor shall allow City to inspect Contractor's job sites and have access to Contractor's employees in order to monitor and determine compliance with HCAO.

L. City may conduct random audits of Contractor to ascertain its compliance with HCAO. Contractor agrees to cooperate with City when it conducts such audits.

M. If Contractor is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Contractor later enters into an agreement or agreements that cause Contractor's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that

causes the cumulative amount of agreements between Contractor and the City to be equal to or greater than \$75,000 in the fiscal year.

45. First Source Hiring Program

A. **Application of Administrative Code Provisions by Reference.** The provisions of Chapter 83 of the San Francisco Administrative Code apply to this Agreement. Contractor shall comply fully with, and be bound by, all of the provisions that apply to this Agreement under such Chapter, including but not limited to the remedies provided therein. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 83.

B. **First Source Hiring Agreement.** As an essential term of, and consideration for, any contract or property contract with the City, not exempted by the FSHA, the Contractor shall enter into a first source hiring agreement ("agreement") with the City, on or before the effective date of the contract or property contract. Contractors shall also enter into an agreement with the City for any other work that it performs in the City. Such agreement shall:

(1) Set appropriate hiring and retention goals for entry level positions. The employer shall agree to achieve these hiring and retention goals, or, if unable to achieve these goals, to establish good faith efforts as to its attempts to do so, as set forth in the agreement. The agreement shall take into consideration the employer's participation in existing job training, referral and/or brokerage programs. Within the discretion of the FSHA, subject to appropriate modifications, participation in such programs maybe certified as meeting the requirements of this Chapter. Failure either to achieve the specified goal or to establish good faith efforts will constitute noncompliance and will subject the employer to the provisions of Section 83.10 of this Chapter.

(2) Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions. Employers shall consider all applications of qualified economically disadvantaged individuals referred by the System for employment; provided however, if the employer utilizes nondiscriminatory screening criteria, the employer shall have the sole discretion to interview and/or hire individuals referred or certified by the San Francisco Workforce Development System as being qualified economically disadvantaged individuals. The duration of the first source interviewing requirement shall be determined by the FSHA and shall be set forth in each agreement, but shall not exceed 10 days. During that period, the employer may publicize the entry level positions in accordance with the agreement. A need for urgent or temporary hires must be evaluated, and appropriate provisions for such a situation must be made in the agreement.

(3) Set appropriate requirements for providing notification of available entry level positions to the San Francisco Workforce Development System so that the System may train and refer an adequate pool of qualified economically disadvantaged individuals to participating employers. Notification should include such information as employment needs by occupational title, skills, and/or experience required, the hours required, wage scale and duration of employment, identification of entry level and training positions, identification of English language proficiency requirements, or absence thereof, and the Programed schedule and procedures for hiring for each occupation. Employers should provide both long-term job need projections and notice before initiating the interviewing and hiring process. These notification requirements will take into consideration any need to protect the employer's proprietary information.

(4) Set appropriate record keeping and monitoring requirements. The First Source Hiring Administration shall develop easy-to-use forms and record keeping requirements for documenting

compliance with the agreement. To the greatest extent possible, these requirements shall utilize the employer's existing record keeping systems, be non-duplicative, and facilitate a coordinated flow of information and referrals.

(5) Establish guidelines for employer good faith efforts to comply with the first source hiring requirements of this Chapter. The FSHA will work with City departments to develop employer good faith effort requirements appropriate to the types of contracts and property contracts handled by each department. Employers shall appoint a liaison for dealing with the development and implementation of the employer's agreement. In the event that the FSHA finds that the employer under a City contract or property contract has taken actions primarily for the purpose of circumventing the requirements of this Chapter, that employer shall be subject to the sanctions set forth in Section 83.10 of this Chapter.

(6) Set the term of the requirements.

(7) Set appropriate enforcement and sanctioning standards consistent with this Chapter.

(8) Set forth the City's obligations to develop training programs, job applicant referrals, technical assistance, and information systems that assist the employer in complying with this Chapter.

(9) Require the developer to include notice of the requirements of this Chapter in leases, subleases, and other occupancy contracts.

C. **Hiring Decisions.** Contractor shall make the final determination of whether an Economically Disadvantaged Individual referred by the System is "qualified" for the position.

D. **Exceptions.** Upon application by Employer, the First Source Hiring Administration may grant an exception to any or all of the requirements of Chapter 83 in any situation where it concludes that compliance with this Chapter would cause economic hardship.

E. **Liquidated Damages.** Contractor agrees:

(1) To be liable to the City for liquidated damages as provided in this section;

(2) To be subject to the procedures governing enforcement of breaches of contracts based on violations of contract provisions required by this Chapter as set forth in this section;

(3) That the contractor's commitment to comply with this Chapter is a material element of the City's consideration for this contract; that the failure of the contractor to comply with the contract provisions required by this Chapter will cause harm to the City and the public which is significant and substantial but extremely difficult to quantify; that the harm to the City includes not only the financial cost of funding public assistance programs but also the insidious but impossible to quantify harm that this community and its families suffer as a result of unemployment; and that the assessment of liquidated damages of up to \$5,000 for every notice of a new hire for an entry level position improperly withheld by the contractor from the first source hiring process, as determined by the FSHA during its first investigation of a contractor, does not exceed a fair estimate of the financial and other damages that the City suffers as a result of the contractor's failure to comply with its first source referral contractual obligations.

(4) That the continued failure by a contractor to comply with its first source referral contractual obligations will cause further significant and substantial harm to the City and the public, and that a second assessment of liquidated damages of up to \$10,000 for each entry level position improperly withheld from the FSHA, from the time of the conclusion of the first investigation forward, does not

exceed the financial and other damages that the City suffers as a result of the contractor's continued failure to comply with its first source referral contractual obligations;

(5) That in addition to the cost of investigating alleged violations under this Section, the computation of liquidated damages for purposes of this section is based on the following data:

(a) The average length of stay on public assistance in San Francisco's County Adult Assistance Program is approximately 41 months at an average monthly grant of \$348 per month, totaling approximately \$14,379; and

(b) In 2004, the retention rate of adults placed in employment programs funded under the Workforce Investment Act for at least the first six months of employment was 84.4%. Since qualified individuals under the First Source program face far fewer barriers to employment than their counterparts in programs funded by the Workforce Investment Act, it is reasonable to conclude that the average length of employment for an individual whom the First Source Program refers to an employer and who is hired in an entry level position is at least one year;

therefore, liquidated damages that total \$5,000 for first violations and \$10,000 for subsequent violations as determined by FSHA constitute a fair, reasonable, and conservative attempt to quantify the harm caused to the City by the failure of a contractor to comply with its first source referral contractual obligations.

(6) That the failure of contractors to comply with this Chapter, except property contractors, may be subject to the debarment and monetary penalties set forth in Sections 6.80 et seq. of the San Francisco Administrative Code, as well as any other remedies available under the contract or at law; and

Violation of the requirements of Chapter 83 is subject to an assessment of liquidated damages in the amount of \$5,000 for every new hire for an Entry Level Position improperly withheld from the first source hiring process. The assessment of liquidated damages and the evaluation of any defenses or mitigating factors shall be made by the FSHA.

F. **Subcontracts.** Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of Chapter 83 and shall contain contractual obligations substantially the same as those set forth in this Section.

46. Prohibition on Political Activity with City Funds. In accordance with San Francisco Administrative Code Chapter 12.G, Contractor may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity") in the performance of the services provided under this Agreement. Contractor agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the City's Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event Contractor violates the provisions of this section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit Contractor from bidding on or receiving any new City contract for a period of two (2) years. The Controller will not consider Contractor's use of profit as a violation of this section.

47. Preservative-treated Wood Containing Arsenic. Contractor may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative,

ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Contractor may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude Contractor from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term “saltwater immersion” shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

48. Modification of Agreement. This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement. Contractor shall complete and submit an Airport Federal Contract Modification – Federal Form 4 with every Modification of the Agreement.

49. Administrative Remedy for Agreement Interpretation. Should any question arise as to the meaning and intent of this Agreement, the question shall, prior to any other action or resort to any other legal remedy, be referred to Purchasing who shall decide the true meaning and intent of the Agreement.

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

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

52. Entire Agreement. This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. This contract may be modified only as provided in Section 48, “Modification of Agreement.”

53. Compliance with Laws. Contractor shall keep itself fully informed of the City’s Charter, codes, ordinances 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.

54. 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.

55. Supervision of Minors: Left Blank by Agreement of the Parties – Contract Does Not Involve Supervision of Minors.

56. 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.

57. Protection of Private Information. Contractor has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, “Nondisclosure of Private Information,” and 12M.3, “Enforcement” of Administrative Code Chapter 12M, “Protection of Private Information,” which are incorporated herein as if fully set forth. Contractor agrees that any failure of Contractor to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Contract. In such an

event, in addition to any other remedies available to it under equity or law, the City may terminate the Contract, bring a false claim action against the Contractor pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the Contractor.

58. Graffiti Removal. Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with the City's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the City and County and its residents, and to prevent the further spread of graffiti. Contractor shall remove all graffiti from any real property owned or leased by Contractor in the City and County of San Francisco within forty eight (48) hours of the earlier of Contractor's (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This section is not intended to require a Contractor to breach any lease or other agreement that it may have concerning its use of the real property. The term "graffiti" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" shall not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

Any failure of Contractor to comply with this section of this Agreement shall constitute an Event of Default of this Agreement.

59. Food Service Waste Reduction Requirements. Effective June 1, 2007, Contractor agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Contractor agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Contractor agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Contractor's failure to comply with this provision.

60. Slavery Era Disclosure: Left Blank by Agreement of the Parties – Contract Not for Insurance or Applicable Financial Services or Textiles.

61. Cooperative Drafting. This Agreement has been drafted through a cooperative effort of both parties, 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.

62. Dispute Resolution Procedure: Left Blank by Agreement of the Parties – Contract Not with Health or Human Services Nonprofit.

63. Airport Intellectual Property

Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior consent.

64. Labor Peace / Card Check Rule

Without limiting the generality of other provisions herein requiring Contractor to comply with all Airport Rules, Contractor shall comply with the Airport's Labor Peace / Card Check Rule, adopted on February 1, 2000, pursuant to Airport Commission Resolution No. 00-0049 (the "Labor Peace / Card Check Rule"). Capitalized terms not defined in this provision are defined in the Labor Peace/Card Check Rule. To comply with the Labor Peace/Care Check Rule, Contractor shall, among other actions: (a) Enter into a Labor Peace/Care Check Rule Agreement with any Labor Organization which requests such an agreement and which has registered with the Airport Director or his / her designee, within thirty (30) days after Labor Peace/Care Check Rule Agreement has been requested; (b) Not less than thirty (30) days prior to the modification of this Agreement, Contractor shall provide notice by mail to any Labor Organization or federation of labor organizations which have registered with the Airport Director or his / her designee (registered labor organization"), that Contractor is seeking to modify or extend this Agreement; (c) Upon issuing any request for proposals, invitations to bid, or similar notice, or in any event not less than thirty (30) days prior to entering into any Subcontract, Contractor shall provide notice to all registered Labor Organizations that Contractor is seeking to enter into such Subcontract; and (d) Contractor shall include in any subcontract with a Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor performing services pursuant to any covered Contract, a provision requiring the Subcontractor to comply with the requirements of the Labor Peace/Card Check Rule. If Airport Director determines that Contractor violated the Labor Peace/Card Check Rule, Airport Director shall have the option to terminate this Agreement, in addition to exercising all other remedies available to him / her.

65. FEDERAL CONTRACT PROVISIONS

The following provisions included in subparts A-M below in this section 65 are clauses that shall be included without modification in this Agreement

A. FLOW DOWN PROVISIONS

The Contractor shall include Articles 5, 11, 20, 21, 22 and 23 from the Other Transaction Agreement (OTA) between the Federal Aviation Administration (FAA) and the City and County of San Francisco International Airport, in all contracts or subcontracts relating to the OTA and the Agreement between the successful Proposer and the City that exceed \$100,000. The OTA is included in this RFQ/RFP as Appendix G for the convenience of the Proposers. Such Articles may be altered only as necessary to identify properly the contracting parties.

B. AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 - GENERAL CIVIL RIGHTS PROVISIONS

The contractor assures that it will comply with pertinent statutes, Executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision binds the contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

C. PROMPT PAYMENT

Prompt Payment - The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from the City and County of San Francisco. The prime contractor agrees further to return retention payments to each subcontractor within 10 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the City and County of San Francisco.

D. CIVIL RIGHTS ACT OF 1964, TITLE VI – CONTRACTOR CONTRACTUAL REQUIREMENTS

During the performance of this contract, the Contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "Contractor") agrees as follows:

1. Compliance with Regulations. The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted Programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination. The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a Program set forth in Appendix B of the Regulations.

3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. Information and Reports. The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the Airport or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the Airport or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance. In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the Airport shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

- a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
- b. Cancellation, termination, or suspension of the contract, in whole or in part.

6. Incorporation of Provisions. The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the Airport or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Airport to enter into such litigation to protect the interests of the Airport and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

E. AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 - GENERAL CIVIL RIGHTS PROVISIONS

The contractor assures that it will comply with pertinent statutes, Executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport a Program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the Airport or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits or (b) the period during which the Airport or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

F. DISADVANTAGED BUSINESS ENTERPRISES

1. Contract Assurance (§26.13) - The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.

2. Prompt Payment (§26.29) - The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 3 days from the receipt of each payment the prime contractor receives from the City and County of San Francisco. The prime contractor agrees further to return retention payments to each subcontractor within 3 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the City and County of San Francisco. This clause applies to both DBE and non-DBE subcontractors.

G. LOBBYING AND INFLUENCING FEDERAL EMPLOYEES

1. No Federal appropriated funds shall be paid, by or on behalf of the contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant and the amendment or modification of any Federal grant.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal grant, the contractor shall complete and submit Standard Form-LLL, "Disclosure of Lobby Activities," in accordance with its instructions.

H. ACCESS TO RECORDS AND REPORTS

The Contractor shall maintain an acceptable cost accounting system. The Contractor agrees to provide the Airport, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representative's access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

I. BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the contractor or their subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. The duties and obligations imposed by the Agreement and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

J. RIGHTS TO INVENTIONS

All rights to inventions and materials generated under this contract are subject to regulations issued by the FAA and the Sponsor of the Federal grant under which this contract is executed.

K. TRADE RESTRICTION CLAUSE

1. The contractor or subcontractor, by submission of an offer and/or execution of a contract, certifies that it:

a. Is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);

b. Has not knowingly entered into any contract or subcontract for this Program with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list;

c. Has not procured any product nor subcontracted for the supply of any product for use on the Program that is produced in a foreign country on said list.

2. Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to a contractor or subcontractor who is unable to certify to the above. If the contractor knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the Program, the Federal Aviation Administration may direct through the Airport cancellation of the contract at no cost to the Government.

3. Further, the contractor agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. The contractor may rely on the certification of a prospective subcontractor unless it has knowledge that the certification is erroneous.

4. The contractor shall provide immediate written notice to the Airport if the contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The subcontractor agrees to provide written notice to the contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

a. This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the Airport cancellation of the contract or subcontract for default at no cost to the Government.

5. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

6. This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

L. TERMINATION OF CONTRACT

1. The Airport may, by written notice, terminate this contract in whole or in part at any time, either for the Airport's convenience or because of failure to fulfill the contract obligations. Upon receipt of such notice services shall be immediately discontinued (unless the notice directs otherwise) and all materials as may have been accumulated in performing this contract, whether completed or in progress, delivered to the Airport.

2. If the termination is for the convenience of the Airport, an equitable adjustment in the contract price shall be made, but no amount shall be allowed for anticipated profit on unperformed services.

3. If the termination is due to failure to fulfill the contractor's obligations, the Airport may take over the work and prosecute the same to completion by contract or otherwise. In such case, the contractor shall be liable to the Airport for any additional cost occasioned to the Airport thereby.

4. If, after notice of termination for failure to fulfill contract obligations, it is determined that the contractor had not so failed, the termination shall be deemed to have been effected for the convenience of the Airport. In such event, adjustment in the contract price shall be made as provided in paragraph 1.2 of this clause.

5. The rights and remedies of the Airport provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

M. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

The Proposer certifies, by submission of this proposal or acceptance of this contract, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. It further agrees by submitting this proposal that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts, and subcontracts. Where the Proposer or any lower tier participant is unable to certify to this statement, it shall attach an explanation to this solicitation/proposal.

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

CITY AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO	CONTRACTOR
By: _____ John L. Martin, Airport Director	By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.
Attest:	I have read and understood paragraph 35, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.
By _____ Jean Caramatti, Secretary Airport Commission	_____ Authorized Signature
Resolution No: _____	_____ Printed Name
Adopted on: _____	_____ Title
Approved as to Form:	_____ Company Name
Dennis J. Herrera City Attorney	_____ City Vendor Number
By _____ [insert name of deputy city attorney] Deputy City Attorney	_____ Address
	_____ City, State, ZIP
	_____ Telephone Number
	_____ Federal Employer ID Number

Appendices

- A: Services Contractor Agrees to Perform
- B: Calculation of Charges
- B.1: Provisional Indirect Cost Rate Agreement

Appendix A

Services Contractor Agrees to Perform

1. Description of Services

A NEGOTIATED VERSION OF APPENDIX B OF THE RFP SHALL BE INSERTED HERE

2. Reports

Contractor shall submit written reports as requested by the **[insert name of department]**. Format for the content of such reports shall be determined by the **[insert name of department]**. 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.

3. Department Liaison

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

Appendix B

Calculation of Charges

This is Appendix B attached to, and incorporated by reference in the Agreement made on **INSERT DATE** between the City and County of San Francisco, acting by and through its Airport Commission (Commission), and **INSERT NAME** (Contractor) providing for construction management support services for the Runway Safety Area Program (RSA).

A. General

1. Compensation for complete and satisfactory performance of the services detailed in Appendix A of this Agreement is set forth in paragraph 5.A. "Compensation" of the Agreement.
2. No charges shall be incurred under this Agreement nor shall any payments become due to the Contractor until reports, services, or both required under this Agreement are received from the Contractor and approved by the Commission as being in accordance with this Agreement. In no event shall the Commission be liable for interest or late charges for any late payments.
3. Compensation for work performed under this Agreement will be on a time and materials basis. Such compensation shall be allowable only to the extent that costs incurred, or otherwise established prices, are consistent with the Federal Cost Principles (Title 48, Code of Federal Regulations, Part 31).

B. Method of Payment

1. Unless approved otherwise by the Commission, the Contractor's services shall be invoiced on a monthly basis and payment will be made within thirty (30) days of receipt of an acceptable invoice with satisfactory backup documentation, approved by the Airport Program Manager. As used herein, the term "invoice" shall include the Contractor's bill or written request for payment under this Agreement for services performed. All invoices shall be made in writing.
2. The Contractor shall invoice for the Work performed in conformance with procedures approved by the Commission.
 - a. Such invoices shall segregate current costs from previously invoiced costs.
 - b. Costs for individual labor shall be segregated by task and subtasks, if any.
 - c. Notwithstanding the above, in no case shall the Contractor invoice include costs which Airport has disallowed or otherwise indicated that it will not recognize.
4. Such invoices shall be as a minimum, (i) mechanically accurate, (ii) substantially vouchered and properly supported and (iii) in compliance with generally accepted accounting principles.
5. The Contractor shall also certify, for each invoice, that (i) the hourly rates for direct labor, whether for Contractor or its subcontractor(s), to be reimbursed under this Agreement are not in excess of the actual hourly rates in effect for the Contractor or subcontractor employees engaged in the performance of services under this Agreement at that time, and (ii) that such hourly rates are in conformance with the Agreement.

6. The fee for the Contractor or any of its subcontractors shall be billed monthly on all direct labor and indirect costs for services provided in the current invoice at the percentage described in paragraph E below.
7. The Airport's Program Manager reserves the right to withhold payment(s) otherwise due the Contractor in the event of the Contractors material non-compliance with any of the provisions of this Agreement, including, but not limited to, the requirements imposed upon the Contractor in Article 15, Insurance, and Article 16, Indemnification. The Airport shall provide notice of withholding, and may continue the withholding until the Contractor has provided evidence of compliance which is acceptable to the Airport.
8. All invoices shall be made in writing and delivered or mailed to the Airport as follows:

By US mail:

Jim Chiu
Airport Program Manager
Jason Yuen Architecture & Engineering Building
San Francisco International Airport
P.O. Box 8097
San Francisco, CA 94128

By Personal Delivery
or Express Mail:

Jim Chiu
Airport Program Manager
Jason Yuen Architecture & Engineering Building
San Francisco International Airport
676 McDonnell Road
San Francisco, CA 94128

9. The Contractor hereby states it is familiar with the provisions of Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local and Indian Tribal Governments; that it understands the City does not intend to pay the Contractor for costs under this Agreement which are not reimbursable to City from its funding agencies in accordance with Circular A-87; and that all payments under this Agreement are subject to audit and adjustment.

C. Direct Salary Rate and Direct Salary Rate Adjustment

1. The direct labor rate shall not exceed **Ninety-three Dollars (\$93)** per hour. Any rate in excess of this cap will require prior written approval from the Airport's Program Manager.
2. Salaried personnel shall be paid on a maximum of 40 hours per week, with no overtime. Salaried personnel assigned to multiple Projects shall be paid on a pro-rata share of a 40-hour week. Signed time cards shall be provided showing all assigned Projects and the shared calculation.
3. The billing rates agreed upon at the effective date of this Agreement shall remain effective until December 31, 2016.

D. Billing Rates

1. Subject to Appendix B.1, Provisional Indirect Cost Rate Agreement of this Agreement, billing rates and overhead rates shall be used for reimbursement of the cost portion of this Agreement. Billing rates shall be the sum of direct salary rates plus indirect cost as stipulated in Appendix B.1.

2. Whenever possible, billing rates shall be established for home office work using a home office indirect cost rate and field office work using a field office indirect cost rate. The home office indirect cost rate shall be used when staff works in an office provided by the Contractor. The field office indirect cost rate shall be used when staff is assigned full time to an office provided by the Commission. To qualify for the field office indirect cost rate the Commission shall provide two office spaces, utilities, telephone service, and internet access; the Commission will not provide computers for the Program team.

E. Fee

The Fee for Contractor's work effort, including any subcontractor work at any tier, shall be **INSERT PERCENTAGE** of estimated direct labor and indirect costs of the Contractor and any subcontractors at any tier. There shall be no additional fixed fee markup on indirect costs or on the work of first and lower tier subcontractors.

F. Other Direct Cost

1. Unless authorized by the Airport, the Airport will not reimburse the program team for the costs of business travel, contractor meals, accommodations, deliveries, and FAX, long distance, and cellular telephone charges beyond the San Francisco Bay Area (less than fifty (50) miles from SFO), this includes specialists that are based out of town and not assigned to the jobsite office. Travel and per diem expenses for the project team's management, jobsite personnel, or staff that commute to or from other offices or residences is not allowed. Regional (remote) executive's travel expenses to visit the local job office are not reimbursable and part-time jobsite personnel who are shared with other out-of-town clients are not reimbursed for travel expenses.
 2. Any ODC expenses in excess of \$500 shall be pre-approved by the Program Manager.
- G.** The approved Direct Labor Rates and FAR based Overhead Rate schedule is as follows: **INSERT RANGE OF RATES BY POSITION CLASSIFICATION AND PROVISIONAL OVERHEAD RATES FOR EACH TEAM MEMBER.**

Appendix B.1, Compensation and Payment

FORM OF PROVISIONAL INDIRECT COST RATE AGREEMENT

This is an Appendix attached to, and incorporated by reference in the Agreement made on **INSERT DATE** between the City and County of San Francisco, acting by and through its Airport Commission (Commission), and **INSERT NAME** (Contractor) providing for construction management support services for the Runway Safety Area Program (RSA). Pursuant to Agreement No. 9230.9 between the parties, the Cost Principles contained in FAR, and practices required by the applicable Cost Accounting Standards in FAR, **INSERT NAME** (hereinafter referred to as "CONTRACTOR") and the CITY AND COUNTY OF SAN FRANCISCO, AIRPORT COMMISSION (hereinafter referred to as "City") agree as follows:

I. DEFINITIONS

- A. Indirect Cost: Indirect costs shall consist of three indirect cost pools:
- 1) Overhead on direct labor, such as taxes or payments on direct labor charges required by law under Federal and State Social Security Acts, or by any other Federal, State or local law; and
 - 2) Fringe benefits on direct labor, such as vacation, holiday and severance pay, and sick leave; bona fide pension, retirement, group health, accident and life insurance plans in operation as an established policy of the firm; and
 - 3) General Administrative expenses.
- B. Provisional Indirect Cost Rate: A temporary indirect cost rate which has been established for the purpose of reimbursement of indirect costs pending the completion of a formal audit. This rate shall be established through the provision of Contractor's and certain subcontractors' provision of historical and current financial information to the Contract Manager.
- C. Audited Indirect Cost Rate: An indirect cost rate which is established by a cognizant United States Government Audit Agency or by an independent third party entity which shall be pre-approved by the City. The Audited Indirect Cost Rate shall be utilized to determine the Final Indirect Cost Rate and also to establish the Provisional Indirect Cost Rate for the current fiscal year of Agreement performance.
- D. Final Indirect Cost Rate: An indirect cost rate which becomes the basis for determining the final basis for the application of indirect costs against direct labor costs.

II. PROVISIONAL INDIRECT COST RATES

This Agreement will employ a temporary provisional indirect cost rate which has been established for award of the Agreement and reimbursement of indirect cost pending the establishment of a final indirect cost rate for the period of time when the services were performed. The provisional indirect cost rates set forth in this Agreement are applicable to all services in the Services Contractor Agrees to Perform identified in Appendix A or in Modifications issued by the City, pending the determination of the final indirect cost rates for Contractor or certain subcontractors.

- A. Subcontractors at any tier with estimated total billings exceeding \$100,000 shall enter into a provisional indirect cost rate agreement with the Contractor. The provisional indirect cost rates for subcontractor indirect costs shall be as set forth below for the Services Contractor Agrees to Perform or in any Change Order.
- B. The provisional indirect cost rate to be applied to Contractor's and subcontractor's direct labor as set forth in Contractor's and subcontractors' submissions shall be:

TABLE 1		
FIRM	PROVISIONAL OVERHEAD RATE	
	Home Office %	Field Office %
FILL IN NAMES AND RATES		

- C. The provisional indirect cost rate shall be applicable until the final indirect cost rate for the audited period is established. If negotiations are not conducted for the second or subsequent twelve (12) month periods within ninety (90) days after completion of the previous period, the provisional indirect cost shall be utilized for the subsequent period(s) until an actual indirect cost rate is mutually agreed upon between the Contractor and the City.
- D. The provisional indirect cost rates set forth in Table 1 shall be used for all new work performed under the Agreement or Modifications until such time that the final indirect cost rate for that new work is established.
- E. There shall be no indirect cost rate or general administrative expense (G&A) mark-up applied to materials, other direct costs (ODC's), nor for Facilities Capital Cost of Money for either the Contractor or any of its subcontractors at any tier.

III. AUDITED INDIRECT COST RATE

- A. Within one hundred eighty (180) days of either (a) the end of Contractor's and subcontractors' fiscal year or (b) the expiration or any earlier termination of this Agreement, Contractor shall submit to the Airport Program Manager the Contractor's and certain subcontractors' audited indirect cost rates for the period(s) of time for which a final indirect cost rate has not yet been established. In the event Contractor or subcontractor does not have audited indirect cost rates determined by a cognizant United States Government Audit Agency, then such rates will be established by an independent, third party audit entity, subject to approval by the City.
- B. The audited indirect cost rate shall be used for both (a) developing the basis for the negotiation of the provisional indirect cost rate for those periods of time for which a final indirect cost rate has not yet been established, and (b) developing the final indirect cost rate.

III. FINAL INDIRECT COST RATE

- A. For Contractor and subcontractors (at any tier), the audited indirect cost rate shall be utilized to establish the final indirect cost rate for the billings of the previous fiscal year. This process shall be repeated for each subsequent fiscal year.
- B. For Contractor and subcontractors (at any tier), the audited indirect cost rate shall be utilized to negotiate the provisional indirect cost rate for the billings for the current fiscal year.
- C. Any compensation under this Agreement made prior to the determination of the final indirect cost rates will be recalculated if the provisional indirect cost rates differ from the final indirect cost rates, unless the City and Contractor or subcontractor mutually agree that recalculation will not be required, in which case the provisional indirect cost rates will be considered as the final indirect cost rates.
- D. The indirect cost rates identified above, including any adjustment to such indirect cost rates as provided for above or in Appendix B, *Compensation and Payment*, are subject to reimbursements as defined below:
 - 1. Overpayment by City: For each final indirect cost rate of Contractor's or any subcontractor that is less than the provisional indirect cost rate paid to Contractor, the City shall withhold the overpaid amounts from subsequent payments to the Contractor if those payments are sufficient to cover the overpaid amount. In the event subsequent payments owed to the Contractor are less than the amount overpaid, Contractor shall reimburse to the City any overpayments made by applying the difference between the provisional indirect cost rate and the final indirect cost rate to the compensated direct labor costs. Contractor shall reimburse City within thirty (30) days of written notice from City seeking reimbursement.
 - 2. Underpayment by City: For each final indirect cost rate of Contractor or subcontractor that exceeds the provisional indirect cost rate paid to Contractor, City shall pay to Contractor the difference between the final indirect cost rate and the provisional indirect cost rate paid for the periods not previously adjusted during the term of the Agreement. City shall reimburse Contractor within sixty (60) days of City's receipt of all of Contractor's actual rates.
 - 3. Nothing in this paragraph shall limit City's right to audit and inspect Contractor's or subcontractors' rates under Section 28 of the Agreement.
- E. Contractor or subcontractor agrees to accept payment of the final indirect cost rates as its total compensation for all indirect costs for performing all services.

IV. OTHER

- A. Nothing herein shall be construed to prejudice, waive, or in any other way affect any rights of the City under the provisions of Agreement No. 9230.9, nor respecting limitation of the City's obligations thereunder.
- B. Contractor may bill for direct cost incurred in managing subcontractor effort provided the labor cost are included in the direct labor base. The Airport will re-evaluate the 3% limitation on overhead increase on Contractor only, if and only if historical data support a re-evaluation. Contractor agrees to provide actual cost data on a recurring quarterly basis.

- C. Contractor and subcontractor may not bill for fee until negotiated and agreed upon.
Determination of fee shall strictly comply with FAR Part 15-4.



APPENDIX F

PROVISIONAL INDIRECT COST RATE AGREEMENT

Appendix F, Compensation and Payment**FORM OF**
PROVISIONAL INDIRECT COST RATE AGREEMENT

This is an Appendix attached to, and incorporated by reference in the Agreement made on **INSERT DATE** between the City and County of San Francisco, acting by and through its Airport Commission (Commission), and **INSERT NAME** (Contractor) providing for construction management support services for the Runway Safety Area Program (RSA). Pursuant to Agreement No. 9230.9 between the parties, the Cost Principles contained in FAR, and practices required by the applicable Cost Accounting Standards in FAR, **INSERT NAME** (hereinafter referred to as "CONTRACTOR") and the CITY AND COUNTY OF SAN FRANCISCO, AIRPORT COMMISSION (hereinafter referred to as "City") agree as follows:

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- B. Provisional Indirect Cost Rate: A temporary indirect cost rate which has been established for the purpose of reimbursement of indirect costs pending the completion of a formal audit. This rate shall be established through the provision of Contractor's and certain subcontractors' provision of historical and current financial information to the Contract Manager.
- C. Audited Indirect Cost Rate: An indirect cost rate which is established by a cognizant United States Government Audit Agency or by an independent third party entity which shall be pre-approved by the City. The Audited Indirect Cost Rate shall be utilized to determine the Final Indirect Cost Rate and also to establish the Provisional Indirect Cost Rate for the current fiscal year of Agreement performance.
- D. Final Indirect Cost Rate: An indirect cost rate which becomes the basis for determining the final basis for the application of indirect costs against direct labor costs.

II. PROVISIONAL INDIRECT COST RATES

This Agreement will employ a temporary provisional indirect cost rate which has been established for award of the Agreement and reimbursement of indirect cost pending the establishment of a final indirect cost rate for the period of time when the services were performed. The provisional indirect cost rates set forth in this Agreement are applicable to all services in the Services Contractor Agrees to Perform identified in Appendix A or in Modifications issued by the City, pending the determination of the final indirect cost rates for Contractor or certain subcontractors.

- A. Subcontractors at any tier with estimated total billings exceeding \$100,000 shall enter into a provisional indirect cost rate agreement with the Contractor. The provisional indirect cost rates for subcontractor indirect costs shall be as set forth below for the Services Contractor Agrees to Perform or in any Change Order.
- B. The provisional indirect cost rate to be applied to Contractor's and subcontractor's direct labor as set forth in Contractor's and subcontractors' submissions shall be:

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- D. The provisional indirect cost rates set forth in Table 1 shall be used for all new work performed under the Agreement or Modifications until such time that the final indirect cost rate for that new work is established.
- E. There shall be no indirect cost rate or general administrative expense (G&A) mark-up applied to materials, other direct costs (ODC's), nor for Facilities Capital Cost of Money for either the Contractor or any of its subcontractors at any tier.

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- A. Within one hundred eighty (180) days of either (a) the end of Contractor's and subcontractors' fiscal year or (b) the expiration or any earlier termination of this Agreement, Contractor shall submit to the Airport Program Manager the Contractor's and certain subcontractors' audited indirect cost rates for the period(s) of time for which a final indirect cost rate has not yet been established. In the event Contractor or subcontractor does not have audited indirect cost rates determined by a cognizant United States Government Audit Agency, then such rates will be established by an independent, third party audit entity, subject to approval by the City.
- B. The audited indirect cost rate shall be used for both (a) developing the basis for the negotiation of the provisional indirect cost rate for those periods of time for which a final indirect cost rate has not yet been established, and (b) developing the final indirect cost rate.

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- A. For Contractor and subcontractors (at any tier), the audited indirect cost rate shall be utilized to establish the final indirect cost rate for the billings of the previous fiscal year. This process shall be repeated for each subsequent fiscal year.
- B. For Contractor and subcontractors (at any tier), the audited indirect cost rate shall be utilized to negotiate the provisional indirect cost rate for the billings for the current fiscal year.
- C. Any compensation under this Agreement made prior to the determination of the final indirect cost rates will be recalculated if the provisional indirect cost rates differ from the final indirect cost rates, unless the City and Contractor or subcontractor mutually agree that recalculation will not be required, in which case the provisional indirect cost rates will be considered as the final indirect cost rates.
- D. The indirect cost rates identified above, including any adjustment to such indirect cost rates as provided for above or in Appendix B, *Compensation and Payment*, are subject to reimbursements as defined below:
 - 1. Overpayment by City: For each final indirect cost rate of Contractor's or any subcontractor that is less than the provisional indirect cost rate paid to Contractor, the City shall withhold the overpaid amounts from subsequent payments to the Contractor if those payments are sufficient to cover the overpaid amount. In the event subsequent payments owed to the Contractor are less than the amount overpaid, Contractor shall reimburse to the City any overpayments made by applying the difference between the provisional indirect cost rate and the final indirect cost rate to the compensated direct labor costs. Contractor shall reimburse City within thirty (30) days of written notice from City seeking reimbursement.
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- C. Contractor and subcontractor may not bill for fee until negotiated and agreed upon. Determination of fee shall strictly comply with FAR Part 15-4.