

**THIS PRINT COVERS CALENDAR ITEM NO.: 10.4**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Approving SFMTA Contract No. SFMTA-2019-38 to JBR Partners, Inc. for the administration of the Community Service Program for parking and transit citations in an amount not to exceed \$1,116,000, and a term not to exceed two years, with an option to extend the Contract for three additional one-year terms at the Director of Transportation's sole discretion.

**SUMMARY:**

- The SFMTA provides customers with the opportunity to complete community service in lieu of payment for parking and transit citations.
- The administration of this program, including maintaining agreements with all community service program partners, registering enrolled customers, and managing active plans, is managed by a third party provider, currently JBR Partners, Inc. since January 1, 2015. The current contract will expire June 30, 2018.
- This program has served approximately 3,600 customers over three years, overseeing more than 30,000 hours of community service.
- A new contract is being awarded to JBR Partners, Inc. after the completion of a competitive bid process.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Contract with JBR Partners, Inc.

**APPROVALS:**

**DATE**

DIRECTOR



May 28, 2019

SECRETARY



May 28, 2019

**ASSIGNED SFMTAB CALENDAR DATE:** June 4, 2019

## **PAGE 2.**

### **PURPOSE**

Approving SFMTA Contract No. SFMTA-2019-38 to JBR Partners, Inc. for the administration of the Community Service Program for parking and transit citations in an amount not to exceed \$1,116,000, and a term not to exceed two years, with an option to extend the Contract for three additional one-year terms at the Director of Transportation's sole discretion.

### **STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES**

This action supports the following SFMTA Strategic Plan Goals and Objectives.

Goal 3: Improve the quality of life and environment in San Francisco and the region.

Objective 3.1: Use Agency programs and policies to advance San Francisco's commitment to equity.

Goal 4: Create a workplace that delivers outstanding service

Objective 4.3: Enhance customer service, public outreach, and engagement.

This action supports the following Transit First Policy Principle:

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

### **DESCRIPTION**

The City and County of San Francisco has offered community service in lieu of payment for parking citations through a third-party administrator (Administrator) consistently since prior to the decriminalization of parking citations in the mid-1990s. In January, 2016, the SFMTA entered into a contract with JBR Partners to streamline the administration of the community service program and, at the same time, transferred payment plan processing in-house.

With the award of this contract, a number of changes were implemented including eliminating restrictions on processing of citations; increasing the time period for payment plan completion; adjusting service credit hours to be consistent with minimum wage requirements; and eliminating pre-payment requirements for certain fees. Subsequent to these initial changes, enrollment fees have been lowered and may be waived once per year for low-income customers.

The SFMTA issued an Invitation for Bids (IFB) on February 21, 2019, to solicit competitive bids for the for an Administrator for the Community Service program. The SFMTA received one responsive proposal to the IFB from responsible proposers. The current contract is set to expire June 30, 2019. Under this contract, the Administrator is responsible for:

- Maintaining a network of at least 100 non-profit/government agency "Partners" for customers to select in order to perform community service, and ensuring Partners' compliance with SFMTA established requirements.

## **PAGE 3.**

- Maintaining a physical, ADA accessible, office within one mile of the SFMTA Customer Service Center for enrolling customers in-person and processing final paperwork.
- Establishing an online system for enrollment and processing online.
- Providing all verbal and written communication in languages consistent with the San Francisco Language Ordinance.
- Transmission of all contract documents, including enrollment forms and timesheets to the SFMTA electronically.
- Processing medical waivers for the fifty-percent City required community service (Department of Public Works or SFMTA).

## **STAKEHOLDER ENGAGEMENT**

The SFMTA has made significant changes to the Community Service program based on feedback low-income stakeholder groups, customers and employees, including increasing hourly credit rates and timelines for completion, as well as establishing a low-income enrollment fee waiver.

## **ALTERNATIVES CONSIDERED**

The SFMTA considered using existing staff and City resources to provide this service, however, due to limited resources and a lack of publicly accessible office space to manage such a program, it was determined that continuing to contract out these services is the most cost-effective option.

## **FUNDING IMPACT**

Funds in the amount of \$1,116,000 are budgeted in the SFMTA's current year Operating Budget and are recovered through program enrollment fees.

## **ENVIRONMENTAL REVIEW**

On April 25, 2019, the SFMTA, under authority delegated by the Planning Department, determined that the proposed contract for the administration of the Community Service Program for parking and transit citations, is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

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

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The Civil Service Commission most recently authorized the professional services to be contracted out on January 14, 2019 (Contract #39053-18/19). A request to the Civil Service

**PAGE 4.**

Commission has been submitted for approval for the new contract amount and term, which is expected by June 2019.

The City Attorney's Office has reviewed this calendar item.

**RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors approve Contract No. SFMTA-2019-38 to JBR Partners, Inc. for the administration of the Community Service Program for parking and transit citations in an amount not to exceed \$1,116,000, and a term not to exceed two years, with an option to extend the Contract for three additional one-year terms at the Director of Transportation's sole discretion.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City and County of San Francisco has offered community service in lieu of payment for parking citations through a third-party administrator (Administrator) consistently since prior to the decriminalization of parking citations in the mid-1990s; and,

WHEREAS, In January 2016, the SFMTA entered into a contract with JBR Partners to streamline the administration of the community service program and, at the same time, transferred payment plan processing in-house; and,

WHEREAS, With the award of this contract, a number of changes were implemented, including eliminating restrictions on processing of citations; increasing the time period for payment plan completion; adjusting service credit hours to be consistent with minimum wage requirements; and eliminating pre-payment requirements for certain fees; and,

WHEREAS, Subsequent to these initial changes, enrollment fees have been lowered and may be waived once per year for low-income customers; and,

WHEREAS, This program has served more than 3,600 customers completing approximately 30,000 hours of community service in the past three years; and,

WHEREAS, The SFMTA issued an Invitation for Bids (IFB) on February 21, 2019, to solicit competitive bids for the for an Administrator for the Community Service program; and,

WHEREAS, The SFMTA received one responsive proposal to the RFP from responsible proposers; and,

WHEREAS, On April 25, 2019, the SFMTA, under authority delegated by the Planning Department, determined that the proposed contract for the administration of the Community Service Program for parking and transit citations, is not defined as a “project” under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

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

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors approves Contract No. SFMTA-2019-38 to JBR Partners, Inc. for the administration of the Community Service Program for parking and transit citations in an amount not to exceed \$1,116,000, and a term not to exceed two years, with an option to extend the contract for three additional one-year terms at the Director of Transportation's sole discretion.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of June 4, 2019.

---

Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

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

**Agreement between the City and County of San Francisco and**

**JBR Partners, Inc.**

**Table of Contents**

**Article 1: Definitions**..... 1

**Article 2: Term of the Agreement** ..... 3

**Article 3: Financial Matters**..... 3

3.1 Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation ..... 3

3.2 Guaranteed Maximum Costs..... 3

3.3 Compensation ..... 3

    3.3.1 Payment ..... 3

    3.3.2 Payment Limited to Satisfactory Services ..... 4

    3.3.3 Withhold Payments..... 4

    3.3.4 Invoice Format..... 4

    3.3.5 LBE Payment..... 4

    3.3.6 Getting Paid for Goods and/or Services from the City..... 4

3.4 Audit and Inspection of Records..... 5

3.5 Submitting False Claims ..... 5

3.6 Reserved. (Payment of Prevailing Wages) ..... 5

**Article 4: Services and Resources**..... 6

4.1 Services Contractor Agrees to Perform ..... 6

4.2 Qualified Personnel..... 6

4.3 Subcontracting ..... 6

4.4 Independent Contractor; Payment of Employment Taxes and ..... 6

    4.4.1 Independent Contractor ..... 6

    4.4.2 Payment of Employment Taxes and Other Expenses..... 7

4.5 Assignment ..... 7

4.6 Warranty ..... 8

4.7 Reserved. (Liquidated Damages)..... 8

**Article 5: Insurance and Indemnity** ..... 8

5.1 Insurance..... 8

5.2 Indemnification ..... 9

**Article 6: Liability of the Parties** ..... 10

6.1 Liability of City..... 10

6.2 Liability for Use of Equipment ..... 10

6.3 Liability for Incidental and Consequential Damages..... 11



<b>Article 7: Payment of Taxes</b> .....	11
<b>Article 8: Termination and Default</b> .....	11
8.1 Termination for Convenience .....	11
8.2 Termination for Default; Remedies .....	13
8.3 Non-Waiver of Rights.....	15
8.4 Rights and Duties upon Termination or Expiration.....	15
<b>Article 9: Rights In Deliverables</b> .....	16
9.1 Ownership of Results.....	16
9.2 Works for Hire .....	16
<b>Article 10: Additional Requirements Incorporated by Reference</b> .....	16
10.1 Laws Incorporated by Reference .....	16
10.2 Conflict of Interest .....	16
10.3 Prohibition on Use of Public Funds for Political Activity.....	16
10.4 Reserved.....	17
10.5 Nondiscrimination Requirements .....	17
10.5.1 Non Discrimination in Contracts .....	17
10.5.2 Nondiscrimination in the Provision of Employee Benefits .....	17
10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance .....	17
10.7 Minimum Compensation Ordinance.....	17
10.8 Health Care Accountability Ordinance .....	17
10.9 First Source Hiring Program.....	17
10.10 Alcohol and Drug-Free Workplace.....	18
10.11 Limitations on Contributions .....	18
10.12 Reserved. (Slavery Era Disclosure) .....	18
10.13 Reserved. (Working with Minors) .....	18
10.14 Consideration of Criminal History in Hiring and Employment Decisions.....	18
10.15 Reserved. (Public Access to Nonprofit Records and Meetings).....	19
10.16 Food Service Waste Reduction Requirements.....	19
10.17 Reserved. (Sugar-Sweetened Beverage Prohibition).....	19
10.18 Tropical Hardwood and Virgin Redwood Ban .....	19
10.19 Reserved. (Preservative Treated Wood Products) .....	19
<b>Article 11: General Provisions</b> .....	19
11.1 Notices to the Parties .....	19
11.2 Compliance with Americans with Disabilities Act.....	20

11.3 Reserved.....	20
11.4 Sunshine Ordinance .....	20
11.5 Modification of this Agreement.....	20
11.6 Dispute Resolution Procedure.....	20
11.6.1 Negotiation; Alternative Dispute Resolution.....	20
11.6.2 Government Code Claim Requirement .....	21
11.7 Agreement Made in California; Venue.....	21
11.8 Construction.....	21
11.9 Entire Agreement .....	21
11.10 Compliance with Laws .....	21
11.11 Severability .....	21
11.12 Cooperative Drafting .....	21
11.13 Order of Precedence.....	21
<b>Article 12: SFMTA Specific Terms</b> .....	22
12.1 Large Vehicle Driver Safety Training Requirements .....	22
<b>Article 13: Data and Security</b> .....	22
13.1 Nondisclosure of Private, Proprietary or Confidential Information .....	22
13.2 Reserved. (Payment Card Industry (PCI) Requirements).....	22
13.3 Reserved. (Business Associate Agreement) .....	22
<b>Article 14: MacBride Principles And Signature</b> .....	23
14.1 MacBride Principles -Northern Ireland .....	23

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

**Agreement between the City and County of San Francisco and  
JBR Partners, Inc.  
Contract No. SFMTA-2019-38**

This Agreement is made as of \_\_\_\_\_, in the City and County of San Francisco, State of California, by and between JBR Partners, Inc. (Contractor) and the City and County of San Francisco (City), acting by and through its Municipal Transportation Agency (SFMTA).

**Recitals**

**A.** The SFMTA requires the services of Contractor to manage the SFMTA Community Service Program.

**B.** This Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through an Invitation for Bids (IFB) issued on February 21, 2019, pursuant to which City selected Contractor as the highest-qualified scorer.

**C.** The Local Business Entity (LBE) subcontracting participation requirement for this Agreement is 20 percent.

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

**E.** 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:

**Article 1      Definitions**

The following definitions apply to this Agreement:

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

**1.2**      “**CCO**” means SFMTA Contract Compliance Office.

**1.3**      “**City**” or “**the City**” means the City and County of San Francisco, a municipal corporation.

- 1.4** “**CMD**” means the Contract Monitoring Division of the City.
- 1.5** “**Contract Administrator**” means the contract administrator assigned to the Contract by the SFMTA, or his or her designated agent.
- 1.6** “**Contractor**” or “**Consultant**” means JBR Partners, Inc., 1333 Evans Avenue, San Francisco, CA 94124.
- 1.7** “**C&P**” means SFMTA Contracts and Procurement.
- 1.8** “**Deliverables**” means Contractor’s work product resulting from the Services that are provided by Contractor to City during the course of Contractor’s performance of the Agreement, including without limitation, the work product described in the “Scope of Services” attached as Appendix A.
- 1.9** “**Effective Date**” means the date upon which the City’s Controller certifies the availability of funds for this Agreement as provided in Section 3.1.
- 1.10** “**Mandatory City Requirements**” means those City laws set forth in the San Francisco Municipal Code, including the duly authorized rules, regulations, and guidelines implementing such laws, that impose specific duties and obligations upon Contractor.
- 1.11** “**Party**” and “**Parties**” mean the City and Contractor either collectively or individually.
- 1.12** “**Partner**” and “**Partners**” means non-profit/government agencies at which Program Participants can perform community service.
- 1.13** “**Program**” means the SFMTA Community Service Program.
- 1.14** “**Program Participants**” or “**Participants**” mean customers authorized by the SFMTA to participate in the SFMTA Community Service Program.
- 1.15** “**Project Manager**” means the project manager assigned to the Contract for the SFMTA, or his or her designated agent.
- 1.16** “**Purchase Order**” means the written order issued by the City to the Contractor, authorizing the Effective Date as provided in Section 2.1.
- 1.17** “**Services**” means the work performed by Contractor under this Agreement as specifically described in the “Scope of Services” attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.
- 1.18** “**San Francisco Municipal Transportation Agency**” or “**SFMTA**” means the agency of City with jurisdiction over all surface transportation in San Francisco, as provided under Article VIIIA of the City’s Charter.

## **Article 2      Term of the Agreement**

**2.1**      The term of this Agreement shall commence on the later of: (i) [insert Contractor's start date]; or (ii) the Effective Date, and expire on [insert expiration date], unless earlier terminated as otherwise provided herein.

**2.2**      The City has three options to renew the Agreement for a period of one year each. The City may extend this Agreement beyond the expiration date by exercising an option at the Director of Transportation's sole and absolute discretion and by modifying this Agreement as provided in Section 11.5 (Modification of this Agreement).

## **Article 3      Financial Matters**

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

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

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

### **3.3      Compensation.**

**3.3.1              Payment.** Contractor shall provide an invoice to the SFMTA on a monthly basis for Services completed in the immediately preceding month, unless a different schedule is set out in Appendix B (Calculation of Charges), attached hereto and incorporated by reference as though fully set forth herein. Compensation shall be made for Services identified in

the invoice that the Director of Transportation, or his or her designee, in his or her sole discretion, concludes has been satisfactorily performed. Payment shall be made within 30 calendar days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed One Million, One Hundred and Sixteen Thousand Dollars (\$1,116,000). The breakdown of charges associated with this Agreement appears in Appendix B. The City may withhold a portion of payment as retention until conclusion of the Agreement, described in Appendix B. In no event shall City be liable for interest or late charges for any late payments.

**3.3.2 Payment Limited to Satisfactory Services.** Contractor is not entitled to any payments from City until the SFMTA approves Services, including any furnished Deliverables, as satisfying all of the requirements of this Agreement. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory Deliverables, including equipment, components, materials, or Services even if the unsatisfactory character of such Deliverables, equipment, components, materials, or Services may not have been apparent or detected at the time such payment was made. Deliverables, equipment, components, materials and Services 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 at no cost to the City.

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

**3.3.4 Invoice Format.** Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller and City, and must include a unique invoice number. Payment shall be made by City to Contractor at the electronic address specified in Section 3.3.6, or in such alternate manner as the Parties have mutually agreed upon in writing.

**3.3.5 LBE Payment.** Contractor must submit all required CMD payment forms to enable CCO to monitor Contractor's compliance with the LBE subcontracting commitments in this Agreement. Contractor shall pay its LBE subcontractors within three working days after receiving payment from SFMTA, except as otherwise authorized by the LBE Ordinance. The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of all required CMD payment forms. Failure to submit all required CMD payment forms with each payment request may result in the Controller withholding 20% of the payment due pursuant to that invoice until the required CMD payment forms are provided. Following SFMTA's payment of an invoice, Contractor has 10 calendar days to submit a CMD Form 9 Payment Affidavit verifying its payments to LBE subcontractors.

**3.3.6 Getting Paid for Goods and/or Services from the City.**

(a) All City vendors receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments through the City's Automated

Clearing House (ACH) payments service/provider. Electronic payments are processed every business day and are safe and secure. To sign up for electronic payments, visit [www.sfgov.org/ach](http://www.sfgov.org/ach).

(b) The following information is required to sign up: (i) The enroller must be their company's authorized financial representative, (ii) the company's legal name, main telephone number and all physical and remittance addresses used by the company, (iii) the company's U.S. federal employer identification number (EIN) or Social Security number (if they are a sole proprietor), and (iv) the company's bank account information, including routing and account numbers.

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

**3.5 Submitting False Claims.** The full text of San Francisco Administrative Code Chapter 21, Section 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Pursuant to San Francisco Administrative Code §21.35, any contractor or subcontractor who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A contractor or subcontractor will be deemed to have submitted a false claim to the City if the contractor or subcontractor: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

**3.6 Reserved. (Payment of Prevailing Wages).**

## **Article 4 Services and Resources**

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

**4.2 Qualified Personnel.** Contractor shall utilize only competent personnel under the supervision of, and in the employment of, Contractor (or Contractor's authorized subcontractors) to perform the Services. Contractor will comply with City's reasonable requests regarding assignment and/or removal of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit adequate resources to allow timely completion within the project schedule specified in this Agreement.

### **4.3 Subcontracting.**

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

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

- Buie Porter Munson & Siller Enterprise, LLC

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

**4.4.1 Independent Contractor.** For the purposes of this Article 4, "Contractor" shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor acknowledges and agrees that at all times, Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other



similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing in accordance with the requirements of this Agreement, City shall provide Contractor with written notice of such failure. Within five business days of Contractor's receipt of such notice, and in accordance with Contractor policy and procedure, Contractor shall remedy the deficiency. Notwithstanding, if City believes that an action of Contractor, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

**4.4.2 Payment of Employment Taxes and Other Expenses.** Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to 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, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from this section.

**4.5 Assignment.** The Services to be performed by Contractor are personal in character, and neither this Agreement nor any duties or obligations hereunder may be assigned or delegated by Contractor unless first approved by City by written instrument executed and approved in the same manner as this Agreement. Any purported assignment made in violation of this provision shall be null and void.

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

**4.7 Reserved. (Liquidated Damages).**

## **Article 5 Insurance and Indemnity**

### **5.1 Insurance.**

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

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

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

(c) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence, "Combined Single Limit" for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

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

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

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

**5.1.2 Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:**

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

(b) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement,

and that insurance applies separately to each insured against whom claim is made or suit is brought.

**5.1.3** All policies shall be endorsed to provide 30 days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in Section 11.1 (Notices to the Parties). All notices, certificates and endorsements shall include the SFMTA contract number and title on the cover page.

**5.1.4** 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.

**5.1.5** 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.

**5.1.6** 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.

**5.1.7** Before commencing any Services, 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 coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

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

**5.2 Indemnification.** Contractor shall indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations;

(iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts not in accordance with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

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

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

## **Article 6      Liability of the Parties**

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

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

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

## **Article 7 Payment of Taxes**

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

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

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

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

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

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

## **Article 8 Termination and Default**

### **8.1 Termination for Convenience.**

**8.1.1** City shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. City shall

exercise this option by giving Contractor written notice of termination. The notice shall specify the date on which termination shall become effective.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## **8.2 Termination for Default; Remedies.**

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

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

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

13.1 Nondisclosure of Private, Proprietary or Confidential Information

(b) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, including any obligation imposed by ordinance or statute and incorporated by reference herein, and such default continues for a period of ten days after written notice thereof from the SFMTA to Contractor.

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

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

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

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



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

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

**8.4 Rights and Duties upon Termination or Expiration.**

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

3.3.2	Payment Limited to Satisfactory Services
3.4	Audit and Inspection of Records
3.5	Submitting False Claims
Article 5	Insurance and Indemnity
6.1	Liability of City
6.3	Liability for Incidental and Consequential Damages
Article 7	Payment of Taxes
8.1.6	Payment Obligation
9.1	Ownership of Results
9.2	Works for Hire
11.6	Dispute Resolution Procedure
11.7	Agreement Made in California; Venue
11.8	Construction
11.9	Entire Agreement
11.10	Compliance with Laws
11.11	Severability
13.1	Nondisclosure of Private, Proprietary or Confidential Information

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

## **Article 9      Rights In Deliverables**

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

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

## **Article 10      Additional Requirements Incorporated by Reference**

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

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

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

**10.4 Reserved.**

**10.5 Nondiscrimination Requirements.**

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

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

**10.6 Local Business Enterprise and Non-Discrimination in Contracting Ordinance.** Contractor shall comply with all applicable provisions of Chapter 14B (LBE Ordinance). Contractor is subject to the enforcement and penalty provisions in Chapter 14B. Contractor shall utilize LBE Subcontractors for at least twenty percent (20%) of the Services except as otherwise authorized in writing by the Director of CMD. Contractor shall incorporate the requirements of the LBE Ordinance in each subcontract made in the fulfillment of Contractor's LBE subcontracting commitments.

**10.7 Minimum Compensation Ordinance.** Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. By signing and executing this Agreement, Contractor certifies that it is in compliance with Chapter 12P.

**10.8 Health Care Accountability Ordinance.** Contractor shall comply with San Francisco Administrative Code Chapter 12Q. Contractor shall choose and perform one of the Health Care Accountability options set forth in San Francisco Administrative Code Chapter 12Q.3. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q.

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

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

**10.11 Limitations on Contributions.** By executing 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. 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. Contractor must inform each such person of the limitation on contributions imposed by Section 1.126 and provide the names of the persons required to be informed to City.

**10.12 Reserved. (Slavery Era Disclosure).**

**10.13 Reserved. (Working with Minors).**

**10.14 Consideration of Criminal History in Hiring and Employment Decisions**

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

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

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

**10.15 Reserved. (Public Access to Nonprofit Records and Meetings).**

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

**10.17 Reserved. (Sugar-Sweetened Beverage Prohibition).**

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

**10.19 Reserved. (Preservative Treated Wood Products).**

## **Article 11 General Provisions**

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

To City: Diana Hammons  
Senior Manager  
Revenue Collection & Sales  
1 South Van Ness Avenue, 6<sup>th</sup> Floor, Office 6181  
San Francisco, CA 94103  
Email: [Diana.Hammons@sfmta.com](mailto:Diana.Hammons@sfmta.com)

To Contractor: James A. Bryant  
Chief Executive Officer  
JBR Partners, Inc.  
1333 Evans Avenue  
San Francisco, CA 94124  
Email: [james@jbrpartners.com](mailto:james@jbrpartners.com)

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

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

**11.3 Reserved.**

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

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

**11.6 Dispute Resolution Procedure.**

**11.6.1 Negotiation; Alternative Dispute Resolution.** The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement. If the Parties are unable to resolve the dispute, then, pursuant to San Francisco Administrative Code Section 21.35, Contractor may submit to the Contract Administrator a written request for administrative review and documentation of the Contractor's claim(s). Upon such request, the Contract Administrator shall promptly issue an administrative decision in writing, stating the reasons for the action taken and informing the Contractor of its right to judicial review. If agreed by both Parties in writing, disputes may be resolved by a mutually agreed-upon alternative dispute resolution process. If the parties do not mutually agree to an alternative dispute resolution process or such efforts do not resolve the dispute, then either Party may pursue any remedy available under California law. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations under this Agreement in accordance with the Agreement and the written directions of the City. Neither Party will be entitled to legal fees or costs for matters resolved under this section.

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

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

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

**11.9 Entire Agreement.** This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. This Agreement may be modified only as provided in Section 11.5 (Modification of this Agreement).

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

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

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

**11.13 Order of Precedence.** Contractor agrees to perform the services described below in accordance with the terms and conditions of this Agreement, including amendments, the IFB, and Contractor's Bid dated March 5, 2019. The IFB and Contractor's Bid are incorporated by reference as though fully set forth herein. Should there be a conflict of terms or conditions, the order of precedence shall be (a) this Agreement and any amendments, (b) the IFB, and (c) the Contractor's Bid.

## **Article 12 SFMTA Specific Terms**

### **12.1 Large Vehicle Driver Safety Training Requirements.**

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

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

## **Article 13 Data and Security**

### **13.1 Nondisclosure of Private, Proprietary or Confidential Information.**

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

**13.1.2** In the performance of Services, Contractor may have access to City's proprietary or confidential information, the disclosure of which to third parties may damage City. If City discloses proprietary or confidential information to Contractor, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or confidential information.

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

### **13.3 Reserved. (Business Associate Agreement).**



## **Article 14 MacBride Principles And Signature**

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

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

<p><b>CITY</b></p> <p><b>San Francisco Municipal Transportation Agency</b></p> <hr/> <p>Edward D. Reiskin Director of Transportation</p> <p>Authorized By:</p> <p>Municipal Transportation Agency Board of Directors</p> <p>Resolution No: _____</p> <p>Adopted: _____</p> <p>Attest: _____ Roberta Boomer, Secretary</p> <p>Approved as to Form:</p> <p>Dennis J. Herrera City Attorney</p> <p>By: _____ John I. Kennedy Deputy City Attorney</p>	<p><b>CONTRACTOR</b></p> <p><b>JBR Partners, Inc.</b></p> <hr/> <p>James A. Bryant Chief Executive Officer</p> <p><u>Acknowledgement of Large Vehicle Driver Safety Training Requirements:</u></p> <p>By signing this Agreement, Contractor acknowledges that it has read and understands Section 12.1: Large Vehicle Driver Safety Training Requirements.</p> <p>City Supplier number: 0000003237</p>
--	--

01349607

**Appendices**

- A: Scope of Services
- B: Calculation of Charges

## **Appendix A Scope of Services**

### **1. Description of Services**

Contractor shall implement and administer the SFMTA's Community Service Program (the "Program").

#### **A. Non-Profit/Government Agency Partner Network**

Contractor shall create a network of not less than 100 non-profit/government agency "Partners" where members of the public who participate in the Program ("Participants") can perform community service to be applied against outstanding parking and transit violation fines and late penalties. The SFMTA will provide Contractor with an authorized agreement template to be executed by all Partners. Partner agreements shall include the following requirements:

- 1) A copy of a current City and County of San Francisco business registration certificate indicating tax-exempt or non-profit status for the Partner.
- 2) A listing of authorized signatures (no more than four) for those individuals authorized to approve completed timesheets for community service.
- 3) A description of services to be performed. Services performed for credit under the Program must serve a public benefit and be completed within the legal boundaries of the City and County of San Francisco.
- 4) A provision that the Partner will assume liability for any service performed by Participants enrolled in Program.

Contractor shall ensure that Partner agreements, including the requirements listed above, are updated every two years from the date of contract execution. Contractor will provide electronic copies of all agreements and supporting documents to the SFMTA as requested.

Contractor is not authorized to utilize Program Participants to complete work for Contractor, or any other program administered by their organization. For example, Contractor may not utilize Participants to complete general office work that is the responsibility of Contractor. Contractor may not have any financial interest in, or receive any payment from, any Partner participating in this Program.

Contractor will provide the SFMTA a monthly excel or csv file containing active Partners' name, physical address, description of work, and volunteer hours available and completed by Program Participants. Contractor shall be responsible for regular and consistent oversight of Partners. Contractor will submit for SFMTA approval a plan for ongoing and regular review of Partner policies, procedures, and daily practices to ensure transparency and

compliance with Program policies. This review shall be documented and made available to the SFMTA or another City and County of San Francisco department or agency, upon request, to ensure compliance with the approved plan.

## **B. Participant Work Plan Enrollment, Administration, Oversight and Monitoring**

The SFMTA will provide Contractor with electronic notification of customers authorized to participate in the Program. Contractor will establish and maintain an Americans with Disabilities Act (ADA) accessible physical office to complete the intake process and provide Participants with all required information. Contractor shall also establish a process to enroll Participants online.

### **1) In-Person Participant Enrollment**

Contractor shall establish and maintain an office accessible by the public within one mile of the SFMTA Customer Service Center located at One South Van Ness Avenue, San Francisco, California 94103. Contractor's office must be located in a location easily accessed by Muni service and offer nearby off-street parking options. Office hours shall be, at a minimum, 9 a.m. to 5 p.m., Monday through Friday. Holiday closures shall be consistent with those of the City and County of San Francisco. Any changes to these hours or days must be requested, in writing, by Contractor and will be granted at the sole discretion of the SFMTA.

Contractor will provide Participants with a Program fact sheet, eligible Partners list, timesheet, Program completion form, and relevant information regarding the requirements for engaging in and fulfilling the Program, including City community service requirements identified below. Contractor shall make all documents available to Participants at their office location and electronically upon request. All documents which are provided to Participants, and any revisions, shall be submitted for review and approval by SFMTA at least 15 business days in advance.

### **2) Online Participant Enrollment**

Contractor shall establish a process to enroll Participants online. Contractor will develop the option to provide Participants the choice to sign up for community service electronically, via an online portal or some similar method. Participants enrolled online will receive the same required information as those Participants who enroll in person. This information will also include an electronic listing of available Partner non-profits/government agencies.

### **3) Participant Communications**

Contractor will provide all Participants the option to communicate with the Contractor via email, text, or phone, to alert Participants when they are approaching their work plan deadline.

Contractor will coordinate with the SFMTA to provide foreign language assistance and ADA services for all Participants, as needed.

#### 4) Participant Work Plan Monitoring and Administration

Contractor will monitor, review and authorize Participants' community service work plan and their participation, including community service requirements and plan deadlines. Any exceptions to the established requirements must be approved by the SFMTA in advance.

Contractor will allow Participants to submit timesheets electronically or in person and ensure that Partner approval signatures on file match authorized signatures in the Partner agreement. Contractor shall not accept or approve timesheets which are submitted without authorized signatures. Contractor shall submit electronic copies of approved timesheets and Program completion documents electronically to SFMTA on a daily basis either via e-mail or other web-based system as directed by the SFMTA. Participants shall also be provided copies of submitted documents. Original documents will be maintained by Contractor for two years and be available within one business day for inspection at the request of the SFMTA.

### **C. Department of Public Works (DPW) Coordination**

Participants will be required to complete 50 percent of their community service hours with SFMTA or DPW. Contractor shall coordinate the dissemination of information and scheduling of Participants for DPW or SFMTA community service. Participants may submit a waiver to this requirement, in writing, based on age and/or disability limitations. Contractor shall approve or reject these requests based on guidelines provided by the SFMTA. Contractor will maintain copies of all waivers and make these available to SFMTA upon request.

### **D. Invoicing**

Contractor will submit a monthly invoice for payment within 45 days of the end of the invoicing period (i.e., the month for which the referral fees are being invoiced). Invoices will include a detailed report with the names, vehicle license plate number (or ID number for transit violations) of all Participants who completed the Program. SFMTA will verify the report and remit payment, based on the participation level fee, within 30 days.

## **2. Deliverables**

Format for the content of Deliverables shall be determined by the SFMTA. If submitted in hard-copy, the Deliverables, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible. The SFMTA encourages digital delivery of Deliverables.

## **3. 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.

## **4. Reports**

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

## **5. Department Liaison**

In performing the Services provided for in this Agreement, Contractor's liaison with the SFMTA will be Diana Hammons.

**Appendix B  
Calculation of Charges**

The SFMTA shall pay the following amount on a monthly basis based on the number of cases referred to Contractor for the month as set forth below.

<b>Referral Fee (per month)</b>	<b>Up to 200 cases</b>	<b>201-300 cases</b>	<b>301 to 400 cases*</b>
<b>Year 1 Amount (\$)</b>	\$17,000	\$17,000	\$17,000
<b>Year 2 Amount (\$)</b>	\$17,000	\$18,000	\$19,000
<b>Option Year 3 Amount (\$)</b>	\$17,000	\$18,000	\$19,000
<b>Option Year 4 Amount (\$)</b>	\$17,000	\$18,000	\$19,000
<b>Option Year 5 Amount (\$)</b>	\$17,000	\$18,000	\$19,000

\* Should the number of cases per month exceed 400 cases, the SFMTA agrees to negotiate with Contractor a reasonable proposal to increase the monthly fee and amend Appendix B accordingly.

<b>Maximum Annual Costs</b>	
<b>Year 1</b>	\$204,000
<b>Year 2</b>	\$228,000
<b>Option Year 3</b>	\$228,000
<b>Option Year 4</b>	\$228,000
<b>Option Year 5</b>	\$228,000
<b>TOTAL</b>	<b>\$1,116,000</b>