

REQUEST FOR PROPOSAL

for

Airport Public Parking Management Services

17-18/02



PORT OF OAKLAND

PURCHASING DEPARTMENT
530 WATER STREET
OAKLAND, CA 94607



PORT OF OAKLAND

REQUEST FOR PROPOSAL

RFP No.: 17-18/02, Airport Public Parking Management Services

The Port of Oakland (the "Port"), Oakland, California, through the Purchasing Department, is hereby soliciting competitive proposals for the above-mentioned project. The successful Respondent will be required to furnish all labor, material, equipment, supplies, applicable taxes, insurance, bonding, and licenses to complete this project.

Proposal Information

Proposal Title	Airport Public Parking Management Services
Proposal Type	Professional Parking Management Services
Proposal Number	17-18/02
Proposal Issued	July 28, 2017
Department Requesting Services	Airport Business Office
Mandatory Pre-proposal Meeting	August 14, 2017 at 9:00 a.m. Port of Oakland, Shepard-Glenn Building, Room A, 1 Airport Drive, Oakland, CA 94621
Scheduled Publication Date	August 4, 2017
Proposal Due Date	September 14, 2017 until 11:00 a.m.

Instructions for Submitting Proposals

Submittal Address	Port of Oakland Purchasing Department Attn: Nickulaus Sioson 530 Water Street Oakland, CA 94607
Submittal Copies	One (1) Original copy clearly marked "Original" and four (4) Copies marked "Copy".
Submittal Envelope Requirements	Proposal must be <u>sealed</u> and have the following information <u>clearly marked</u> and visible on the outside of the envelope: <ul style="list-style-type: none">• Proposal Number• Name of Your Company• Address• Phone Number
Late Submittals	Proposals received after the time and date stated above shall be returned unopened to the Respondent.

How to Obtain Proposal Documents

Copies of the Proposal documents may be obtained at:

Location	Address
Physical	Port of Oakland--Purchasing Department 530 Water Street, Oakland, CA 94607 Monday through Friday 9:00 AM to 4:00 PM (510) 627-1140
Website	http://www.portofoakland.com/business/bids-rfps/ Or navigate to the Port of Oakland's main website at: http://www.portofoakland.com/ , then click on "Bids/RFPs" from the banner on the top of the page, and then scroll down to download the RFP.

Questions about the Proposal

Questions and/or Requests for Information (RFI) must be submitted in writing and can be submitted by fax or email as follows:

Primary Contact	Nickulaus Sioson Fax: (510) 893-2812 Email: nsioson@portoakland.com
Question/RFI Due Date	August 18, 2017 until 4:00 p.m. Please submit questions as soon as possible. No questions regarding the specifications will be responded to after the above date. All pertinent questions will be responded to and answered in writing no later than the Response Date listed below.
Response Date	August 30, 2017 All pertinent questions will be responded to via addendum faxed (or emailed) to all prospective proposers and placed on the Port's website. Proposers who did not receive a copy of the addendum should download it from the Port's website. See the "How to Obtain Proposal Documents" section for our web address. All addenda must be acknowledged on the RFP Acknowledgement and Signature form.

Once the RFP is issued, and until a recommendation for award is made to the Board of Port Commissioners at a public Board of Port Commissioners meeting (or in cases where a recommendation for award does not require a public Board meeting, when Proposers are notified by Port staff of the recommendation for award), each Proposer and its representatives, agents, and affiliates, shall not contact members of the Evaluation Committee, Port staff or the Board of Port Commissioners to discuss or ask questions about the contents of this RFP or the selection process. All questions shall be submitted in writing as described in this RFP. Any inappropriate contact by a Proposer, its representatives, agents, and/or affiliates may result in the Proposers' proposal being disqualified.

Full Opportunity

The Port's policy prohibits discrimination or preferential treatment because of race, color, religion, sex, national origin, ancestry, age (over 40), physical or mental disability, cancer-related medical condition, a known genetic pre-disposition to a disease or disorder, veteran status, marital status, or sexual orientation. It is the policy of the Port of Oakland to encourage and facilitate full and equitable opportunities for small local businesses to participate in its contracts for the provision of goods and services. It is further the Port's policy that no discrimination shall be permitted in small local business participation in Port contracts or in the subcontracting of Port contracts. The successful Respondent shall comply with the Port's non-discrimination policy.

Title VI Solicitation Notice: The Port of Oakland, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

The Port reserves the right to reject any or all proposals, to waive any irregularities or informalities not affected by law, to evaluate the proposals submitted, and to award the contract according to the proposal which best serves the interests of the Port.

John Banisadr,
Port Purchasing Manager

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Attachments:

Title		Must Be Returned with Proposal
1	Non-Collusion Declaration	Yes
2	Statement of Equal Employment Opportunity	Yes
3	RFP Acknowledgement and Signature Form	Yes
4	Proposal Worksheet	Yes
5	Port of Oakland Airport Concession Disadvantaged Business Enterprise (ACDBE) Program A. Quarterly Reporting for Participation of Airport Concession Disadvantaged Business Enterprise B. Quarterly Report Certificate Letter	No (Note: Quarterly and final reports are required after contract award.)
6	Disadvantaged Business Enterprise Program Affidavit	Yes
7	City of Oakland City Charter §728 Living Wage Information A. Employer Self-Evaluation for Port of Oakland Living Wage B. Certificate of Compliance—Living Wage	No (Attachment 7-A and 7-B are required after contract award.)
8	Statement of Living Wage Requirements	Yes
9	Supplier Insurance Requirements	No
10	Insurance Acknowledgement Statement	Yes

Title		Must Be Returned with Proposal
11	Agreement for Airport Parking Management Services	<p>No</p> <p>(Note: If awarded the contract, the successful Respondent will execute a revised version of the Agreement for Airport Parking Management Services, which will incorporate Respondent's Proposal.)</p>

I. Project Overview

The Port of Oakland ("Port"), owner of Oakland International Airport ("OAK") is soliciting competitive proposals to select a contractor to manage the Airport's Public Parking Facilities and Operations. OAK has 6,920 public parking stalls controlled by a newly installed Scheidt & Bachmann Parking and Revenue Control System ("PARCS"), which generated \$39 million in CY 2016, the Airport's second largest source of revenue after Southwest Airlines.

Concurrently, the Port is also soliciting proposals for the Management of Airport Shuttle/Curbside Management Services (RFP No. 17-18/03). While proposals for each opportunity must be submitted separately for the respected Request for Proposal (RFP), Proposers wishing to pursue both of these RFP opportunities may prepare two separate cost proposals and submit them with each RFP. That is, one cost proposals should be the stand-alone price for the service and the second cost proposal shall be the proposed cost if you were awarded both services. This is further described in Attachment 4 to this RFP.

The Port's goals in offering this contract opportunity are to:

1. Execute an agreement with the most competitive, experienced and capable contractor to manage the Airport's Public Parking Facilities;
2. Maximize Port revenue by helping promote Airport parking to the public while achieving the highest level of customer experience and service within this important service area; and
3. Achieve cost savings and efficiencies in the provision of these services.

Please review the Minimum Qualifications cited in RFP Part II-Section 8.1 on page 7. Interested respondents that do not meet these qualifications should not submit a proposal.

About the Port of Oakland

The Port of Oakland was established in 1927 and oversees the Oakland seaport, Oakland International Airport, Commercial Real Estate, and 20 miles of waterfront. The Oakland seaport is the seventh busiest container port in the U.S.; Oakland International Airport is the second largest San Francisco Bay Area airport offering over 300 daily passenger and cargo flights; and the Port's real estate includes commercial developments such as Jack London Square and hundreds of acres of public parks and conservation areas. Together, through Port operations and those of its tenants and users, the Port supports nearly 70,000 jobs in the region and over 800,000 jobs across the United States. The Port is an independent department of the City of Oakland.

II. Scope of Services and Project Background

1. Scope of Services Summary

The successful Proposer ("Contractor") will perform the Parking Management responsibilities ("Services") in accordance with the requirements of the Agreement for Airport Parking Management Services ("Agreement"), **Attachment 11**. During the term of this contract key contractor responsibilities and obligations shall include:

- 1.a Provide the highest level of professional, courteous, safe, and efficient Parking Services in a quiet and orderly manner, in conformance with industry standards.
- 1.b Perform Services as directed from time to time by the Director or the Designee, and in accordance with the rules and regulations and operational procedures established or approved from time to time by the Port, and consistent with the standards and specifications set forth in **Attachment 11-Exhibit A**, entitled PARKING SERVICE REQUIREMENTS.

- 1.c Provide Services in each of Port's Public Parking Lots described in the "Description of OAK Parking Facilities" section and listed as items 1-5 in Table 1 on page 3.
- 1.d. Provide Services to any parking replacement areas designated by the Port.
- 1.e Perform Level 1 and Level 2 PARCS maintenance as described in **Attachment 11-Exhibit A**.
- 1.f Prepare annual operating budgets. The adopted FY 2017-18 operating budget is shown in **Attachment 11 Exhibit B**.
- 1.g Under the direction of Port staff, assist in creating and implement parking marketing programs with particular focus on managing parking Loyalty programs and a coordinated multi-media strategy with particular focus on social media.

The Scope of Service is to be used as a general guide and is not intended to be a complete list of all work necessary to manage the Airport Public Parking Facilities.

2. CONTRACT TERM

The term of the Agreement shall be three years, commencing on or about December 1, 2017 and extending through November 30, 2020. The Port will have the option, exercisable at its sole discretion, by giving a 60 day notice to the Contractor, to extend the term of the Agreement for up to two (2) extension periods of one (1) year each. (As used in this RFP, the Operating Terms shall mean the initial three year term of the Agreement and any extension resulting from the Port's exercise of its right of extension.).

3. DESCRIPTION OF OAK PARKING FACILITIES

OAK has approximately 6,920 public parking stalls in four surface lots: Premier, Hourly, Daily and Economy, shown below. Table 1 summarizes parking capacity and PARCS-equipped lanes.

**Figure 1
Public Parking Facilities**



Table 1 – Public Parking Lots and PARCS Equipped Lanes

Lot Number	Facility	Stall Capacity	# Entry Lanes	# Exit Lanes	Bus Only Lanes (AVI & Badge)
Public Parking Lots: Currently PARCS Equipped					
1	Premier Parking Lot	814	1	9 ¹	0
2	Hourly Parking Lot	600	2		0
3	Daily Parking Lot	3,572	3		1/1
4	Economy Parking Lot	1,934	3 ²	2	1/1
Subtotal: Active Lots		6,920	9	11	2/2
5	Former Economy Parking Lot (Inactive)	1,463	2	2	1/1
	Total Public Spaces	8,383	11	13	3/3
Permit Parking Lots – Informational					
6	Oakland Maintenance Center (OMC)	828	1	2	0
7	Lot 214	219	2	1	0
8	Neil Armstrong Lot	646	1	1	0
Permit Spaces		1,693	4	4	0
¹ Exit Lanes located at common exit plaza ² Four total lanes with 1 reversible lane					

The Port has or will soon have a new Scheidt & Bachmann PARCS which features:

- 1) Integrated License Plate Recognition ("LPR") capture and mobile LPI, data storage and fee calculator
- 2) Access and self-service transaction processing using Credit Card In & Out ("CCIO"); Automated Vehicle Identification (AVI) transponders, proximity card readers and bar code / QR code readers;
- 3) Loyalty program module for Frequent and Corporate Parking programs
- 4) Intercom communications from each lane
- 5) Real time, PCI-compliant credit card processing
- 6) Bar-coding for tickets and for exception transactions and electronic validations
- 7) Integrated report generator
- 8) Separate access lanes for maintenance vehicles and buses

The Airport PARCS currently provides lot security and revenue control for the four public parking lots. However the Airport plans to extend the new PARCS to the permit parking lots shown in Table 1 as well.

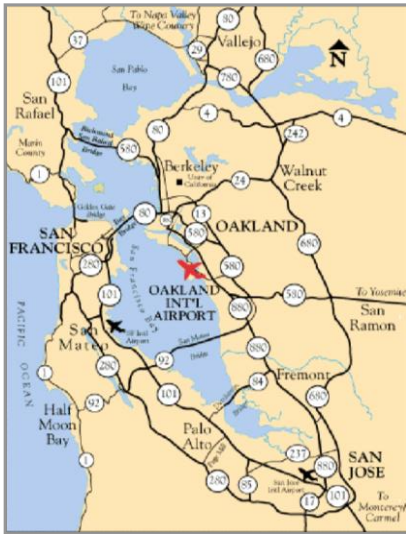
The Contractor's PARCS Maintenance responsibilities under the Agreement are described in **Attachment 11-Section 13 and Exhibit A**. Contractor's responsibilities for the employee permit parking lots would include:

- Maintenance of PARCS (card-actuated, gate-controlled) equipment
- Permit sales, as directed by Port

4. DESCRIPTION OF THE AIRPORT AND PASSENGER TRAFFIC HISTORY

This section describes historical airline and passenger traffic for the Bay Area and the Airport. All years are calendar years unless otherwise indicated. The San Francisco Bay Area is served by three commercial service airports: Oakland International, San Francisco International, and San Jose International Airports. The location of the three airports is shown on **Figure 2**.

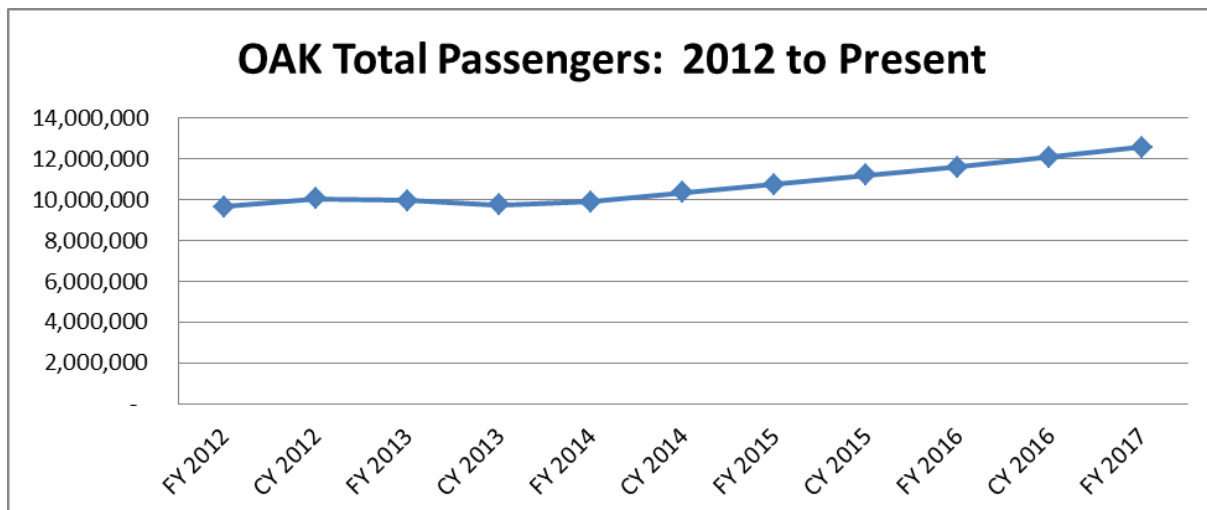
Figure 2 Bay Area Airports



During CY 2016 OAK's 13 airlines accommodated 12.1 million passengers (over 6.0 million enplaned passengers) and \$39 million in gross parking revenue was generated. Southwest Airlines accounts for 70% of passenger traffic and their customers account for at least that proportion of public parking volume. Twelve other airlines accommodate the other 30%. The Airport has experienced over three consecutive years of airline passenger traffic growth and has flights to over 60 non-stop destinations, the most in its history, including new routes to the East Coast and Europe. Passenger traffic over time is shown in **Figure 3**.

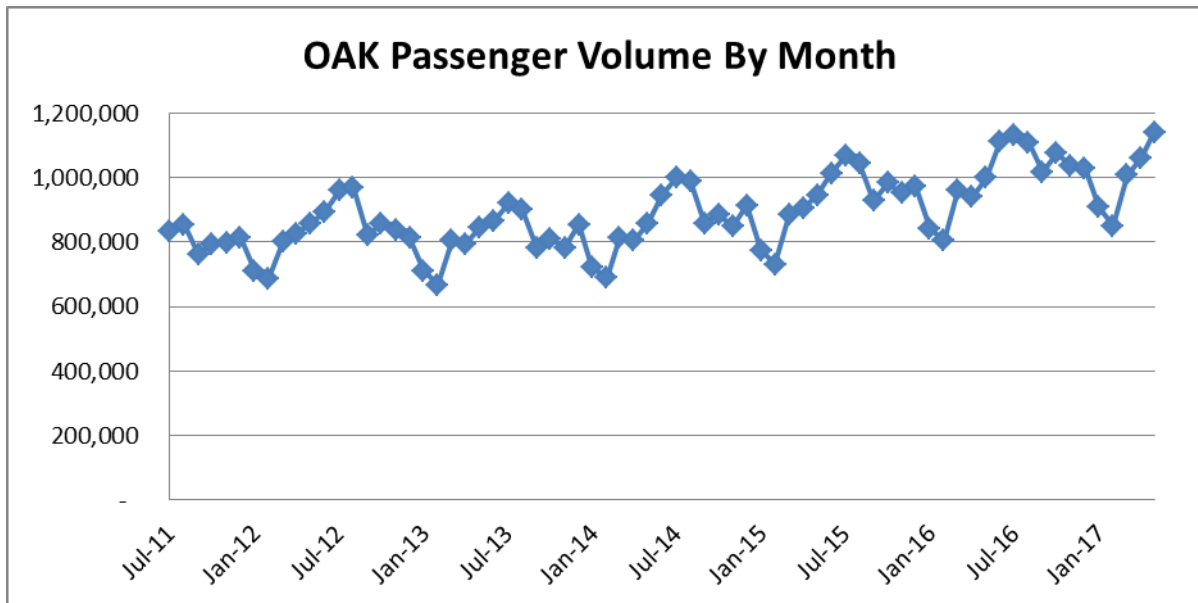
All gates at the Airport are common-use, with most preferentially assigned to a particular carrier. However to optimize gate capacity utilization the Airport may assign gates to other carriers when preferential carriers do not use gates.

Figure 3



As shown in **Figure 4**, the Airport has a predictable and seasonal traffic pattern throughout the year. July and August are the busiest months for passenger traffic and public parking, while January and February are the least busy.

Figure 4



Further, while passenger volume exhibits some peaks and valleys during a typical day, it is relatively constant from 05:00 hours through 20:00 hours on weekdays. Over 90% of OAK's passenger traffic is origination-destination, i.e. most passengers either begin or end their air travel at OAK and are therefore potential parking customers. The balance consists of connecting and through passengers.

5. FUTURE TERMINAL FACILITIES

The Airport has 29 operational boarding gates in two terminals. A project is underway that will increase the international arrivals and customs processing capacity, to expedite handling of two simultaneous large aircraft arrivals.

6. PUBLIC PARKING BUSINESS TRENDS

As shown in **Figure 5**, parking transaction volume grew from 2012 to 2015, generally mirroring the growth in air passenger volume. However despite continued growth in airline passengers, growth in parking has trended downward since the summer of 2016, due to the high growth in Transportation Network Company ("TNC") volume and airport access market share. Airport-permitted TNCs (Uber, Lyft and Wingz) have taken significant market share from all ground transportation access modes, including parking as well as BART, Taxi, Shuttle Vans and Rental Cars. This significant change in consumer preference is ongoing, at OAK and nationally.

Figure 5

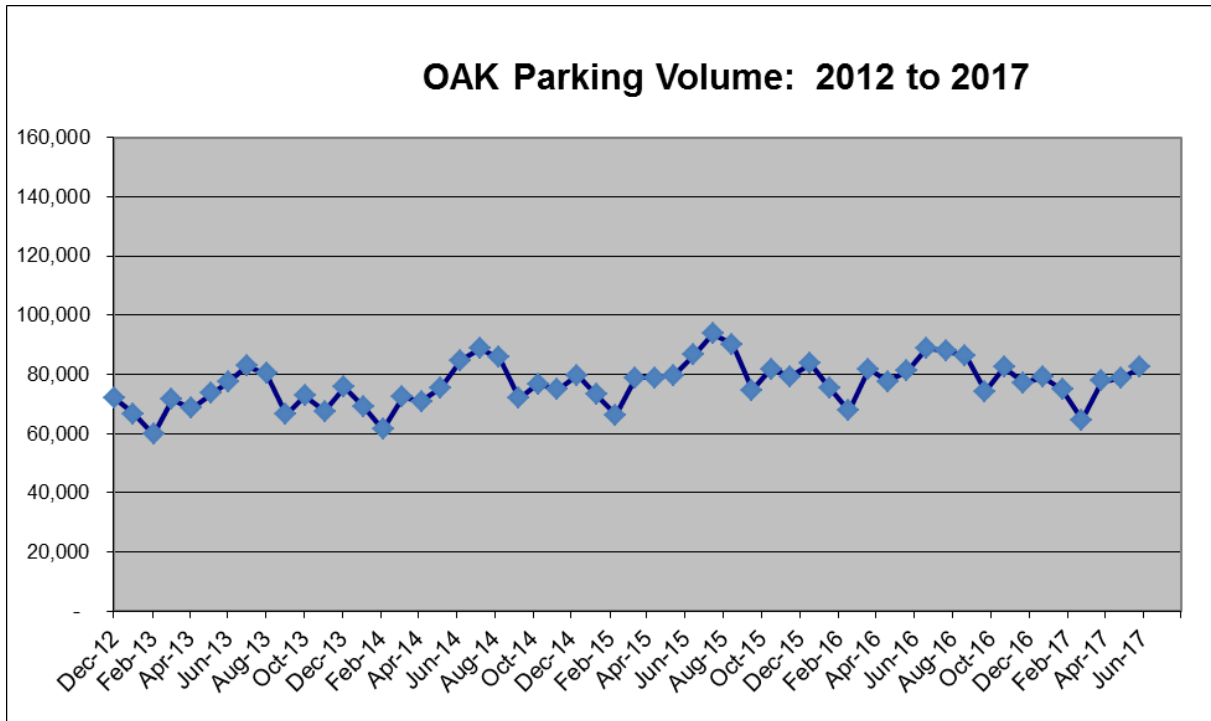
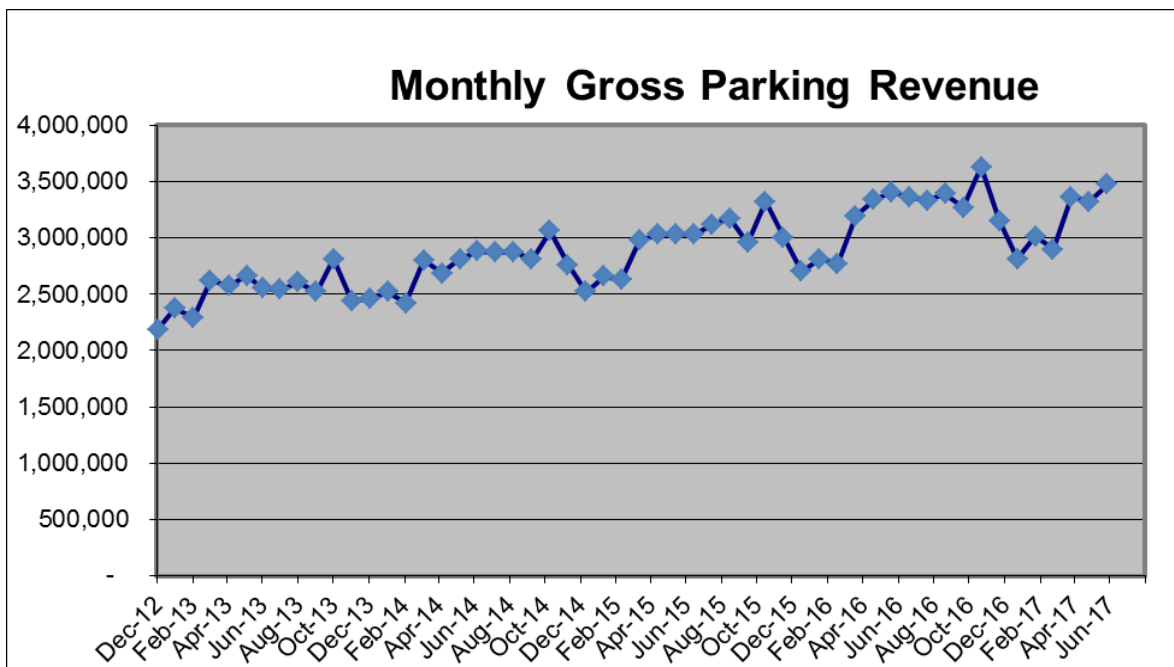


Figure 6 displays public parking revenue trends. Despite reduced market share for airport parking, parking revenue has increased this year mainly due to a rate increase implemented in March 2016.

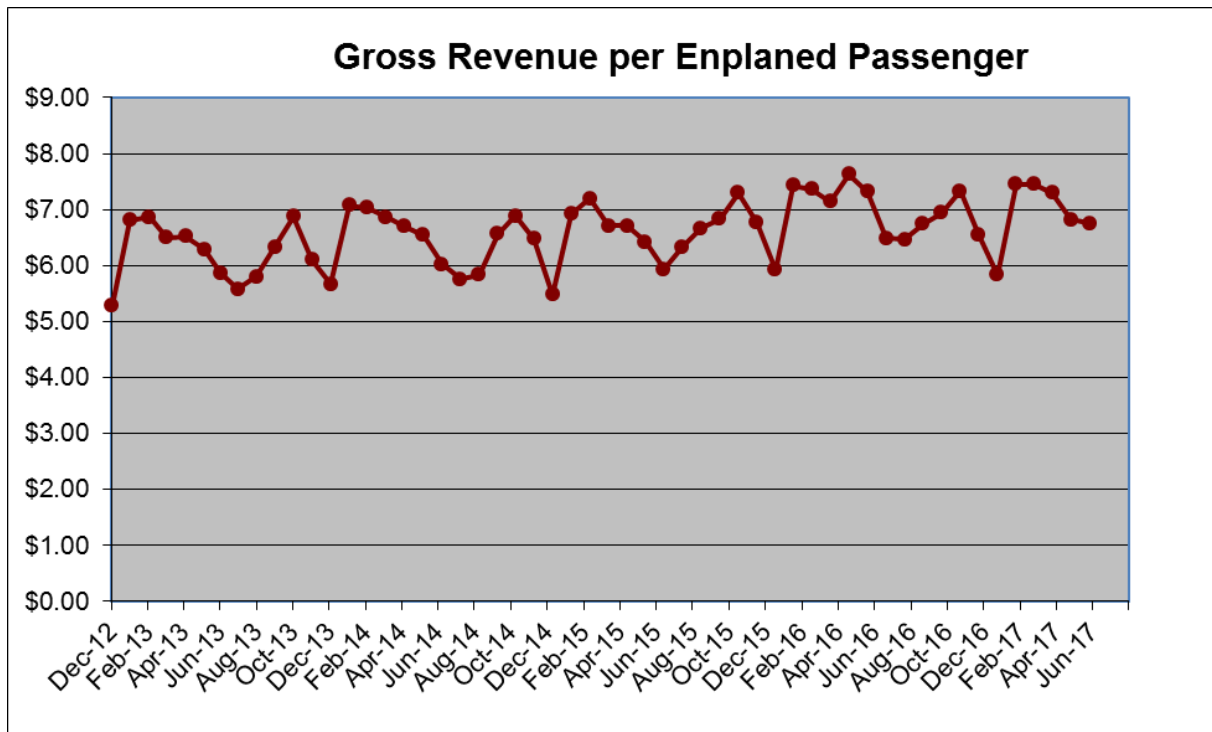
Figure 6



Parking revenue per enplaned passenger is a vital metric, which also reflects the recent surge in TNC activity and the changing mix of short-term, “meeter-greeter” parking (declining) vs. longer-term parking (increasing). **Figure 7** displays revenue per enplaned passenger, which increased from 2012 to 2016, but has declined during the past year due to the popularity of TNCs.

In recent years, the share of long-term to total parking demand has grown considerably, and is now at about 55%. Moreover, long-term parking generates about 94% of total revenue. This shift has been underway for many years but accelerated with the growth of TNC demand.

Figure 7



7. AGREEMENT FOR AIRPORT PARKING MANAGEMENT SERVICES

The Agreement for Airport Parking Management Services that is attached as **Attachment 11** to this RFP should be carefully reviewed prior to submitting a Proposal. The successful Proposer will be required to execute the Agreement in substantially the form attached, as amended by any Addenda to this RFP and as completed by the Port to conform to the selected Proposer's Proposal. Questions or suggested changes concerning the Agreement should be submitted in writing following the procedures set out in Part III Section 5 on page 10.

Under this agreement the Port pays reimbursable expenses, plus a Management Fee. Reimbursable expenses are described in RFP Attachment 11-Exhibit D. The Management Fee has "Fixed" and "Variable" components and is detailed in Attachment 11-Section 4. The Fixed component includes proposed Profit & Overhead and Insurance Premiums. The Variable component is a performance-based incentive worth up to \$100,000 per year, and is described in RFP Attachment 11, Section 4.2.

Proposers should note that Section 3.4 of the Agreement will prohibit the Contractor, its owners and affiliates from operating parking facilities or providing parking management services or other services substantially similar to the parking services within a 7 mile radius of the boundary of the Airport.

Proposers should identify any changes required in the Agreement by submitting such changes, including specific language, in its Proposal. However, changes to the Agreement are strongly discouraged and may affect the ranking of the Proposal.

The Agreement must be executed by the apparent successful Proposer within 30 days after receiving a notice of award, or Proposer will forfeit its Proposal Surety.

8. Minimum Qualifications Requirements

To be considered for selection as the Contractor, Proposer must provide evidence that it or its principal owner or a joint venture partner with at least a 51% interest in the joint venture has the following minimum qualifications, and Proposer must execute Attachment 3-RFP Acknowledgement and Signature Form and all of the other required forms/written documents included in Part III below. THE PORT WILL NEITHER CONSIDER, NOR EVALUATE PROPOSALS SUBMITTED BY PROPOSERS WHO DO NOT MEET THE MINIMUM QUALIFICATION CRITERIA DESCRIBED IN THIS SECTION.

8.1 Operations Experience with U.S. Based Projects.

8.1.1 Proposers must currently operate, manage and maintain at least two airport-related parking operations at medium to large hub airports (as designated by the FAA), in the U.S. or Canada including, without limitation, the operation and use of online/real-time computerized revenue control and relational databases ("PARCS") systems operating on a computer network. Such experience must include;

8.1.1.a Knowledge of and experience in achieving and maintaining PCI-DSS compliance for credit card payments in an Airport environment;

8.1.1.b Having a minimum combined parking capacity of at least 8,000 stalls under direct management at no more than two other client sites in the U.S. or Canada.

8.1.1.c Having combined gross parking revenue of at least \$20 million in at least one of the last two fiscal or calendar years, from no more than two U.S. and Canadian airports.

8.1.1.d All of the requirements in this Section 8.1 must be met in their entirety by at least one firm on a Proposer's team, i.e. firms on a team or in a joint venture cannot combine their individual parking stall capacities and gross revenues to meet these requirements.

8.1.1.e Proposer must be in legal existence at the time its Proposal is submitted.

8.2 Financial Capacity

The Proposer must demonstrate to the satisfaction of the Port that the Proposer has the financial resources to provide the Parking Management Responsibilities pursuant to the Agreement. In considering the financial responsibility of a Proposer, the financial condition of a third party will not be considered unless it signs the Proposal as a Guarantor and agrees that if the Proposer is the successful Proposer, it will execute and deliver to the Port the Guaranty included as Exhibit R to the Agreement.

III. Port Policy and Other Requirements

The selected Respondent will be required to comply with the following Port Policy and Other Requirements:

1. Airport Concession Disadvantaged Business Enterprise (ACDBE) Program:

The Services described in this RFP are subject to the requirements of the U.S. Department of Transportation's regulation 49 Code of Federal Regulations (CFR) Part 23 (the "ACDBE" Rules). The successful Proposer shall comply with all of the nondiscrimination requirements contained in the Agreement, and with the ACDBE Rules, and shall not discriminate against any business owner because of the owners' race, color, sex, or national origin in the award or performance of the Agreement.

The Port is currently administering a race neutral Airport Concession Disadvantaged Business Enterprise (ACDBE) program and as such is not establishing a contract-specific goal for the Services. The overall goal is 20.26% for federal fiscal years 2015-2017, and the Port expects to meet its ACDBE participation goals entirely through race-neutral means. The Port encourages all Proposers to take active race/gender neutral steps to include ACDBE's, including but not limited to local ACDBE's, in this contract. Race/gender neutral steps include: unbundling large contracts, subcontract work the Proposer may self-perform, providing capital and bonding assistance, business development programs and providing technical assistance. To facilitate Port's compliance, each Proposer must in its Proposal identify those subcontractors or suppliers that are certified disadvantaged business enterprises under the ACDBE Rules, the percentage of each ACDBE's participation and each ACDBE's certification number.

The Port is required to report ACDBE accomplishments to the FAA, Part 23 - Uniform Report of ACDBE Participation) annually.

The successful Operator will be required to submit quarterly ACDBE attainment reports and letter (herein attached as **Attachments 5-A and 5-B**). The successful Operator shall carry out applicable requirements of the ACDBE Rules. Failure by the successful Proposer to carry out these requirements will be a material breach of contract, which may result in the termination of the Agreement or such other remedy as the Port deems appropriate.

The successful Proposer shall cooperate with the Port in meeting its commitments and objectives with regard to ensuring nondiscrimination in the award and administration of the Agreement and shall use its best efforts to ensure that barriers to participation of ACDBEs do not exist. In order for the participation to count toward ACDBE attainment, Proposers and/or its subcontractors must be certified as of the date of proposal opening by an authorized agency of the California Unified Certification Program or http://www.dot.ca.gov/hq/bep/business_forms.htm

2. Insurance Requirements:

All Respondents who plan on submitting a proposal in response to this RFP must meet the Port's Insurance requirements listed in **Attachment 11-Exhibit M**, and must provide proof of insurance at the time of project award. Respondents must include a statement (**Attachment 10**) with their proposal agreeing to the Port's insurance requirements and indicate they will be able to obtain the proper insurances at the time of project award.

3. Security Sensitive Information:

By submitting a proposal, Respondent acknowledges that in the course of performing services under the Agreement, the selected Consultant/Contractor will come into possession of sensitive information subject to Port of Oakland regulation. The selected Consultant/Contractor will be required to comply strictly with the Port of Oakland's policies and practices for sensitive information.

4. Living Wage Policy:

On March 5, 2002, the voters in the City of Oakland passed Measure I, adding to the City Charter Section 728 ("§728") entitled "Living Wage and Labor Standards at Port-assisted Businesses." §728 requires Port Aviation and Maritime businesses that meet specified minimum threshold requirements to pay all nonexempt employees a Living Wage rate established by City Ordinance and adjusted annually based on the Consumer Price Index for the San Francisco, Oakland, and San Jose area. The current Living Wage rate as of July 1, 2017 is at least \$13.32 with credit given to the employer for the provision to covered employees of health benefits, and \$15.31 without credit for the provision of health benefits. Specifically, §728 applies to Port contractors and financial assistance recipients with the Aviation or Maritime divisions that have contracts worth more than \$50,000 and that employ more than 20 employees who spend more than 25% of their time on Port-related work. §728 also provides covered employers with incentives to provide health benefits to employees,

establishes a worker retention policy, requires covered employers to submit quarterly payroll reports and requires covered employers to allow Port representatives access to payroll records in order to monitor compliance and labor organization representatives access to workforces during non-work time and on non-work sites. Covered employers are responsible for complying with the provisions of §728 from the date the covered contract is entered into. When a contract is awarded, the Respondent will be required to fill out the attached Employer Self-Evaluation for Port of Oakland Living Wage Form (**see Attachment 7-A**) and Certificate of Compliance—Living Wage (**see Attachment 7-B**) and return them to the Social Responsibility Division. (i.e., do not include these forms in with your proposal). For more information, please call Connie Ng-Wong in the Port of Oakland's Social Responsibility Division at (510) 627-1390.

Respondent shall acknowledge reviewing the Port's Living Wage program and compliance, by submitting the Statement of Living Wage Requirement (**Attachment 8**) with their proposal.

5. Agreement for Airport Parking Management Services :

Submission of a proposal will confirm that the Respondent fully understands the provisions of the Agreement for Airport Parking Management Services (**Attachment 11**) which will be revised as necessary to be consistent with the provisions of this RFP, and will execute such revised agreement if awarded the contract. Any objections to any provisions in the Port's Agreement and/or this RFP must clearly be identified in your proposal. Changes are discouraged.

IV. Submission Requirements

The Port has scheduled a **Mandatory Pre-proposal meeting** on the date indicated in the table labeled "Proposal Information" (on the first page of the invitation for this RFP), to review the scope of services and the submission requirements.

Please respond to the following **eight (8) submission requirements** in a straightforward, concise delineation of your capabilities proposed to satisfy the requirements of the RFP. The Port will use your responses to objectively determine your capabilities and experience. Please label your responses 1 through 8, in the order presented below. Please limit your total response to the number of pages indicated below (excludes the required attachment forms provided with this RFP).

Submittal Format:

Responses may not be longer than 16 pages (one sided or 8 pages double sided), printed on 8 ½" x 11" paper and formatted in no smaller than 10 point font. Each section shall be labeled according to the sections below. All submitted material must be bound with only **one staple or binder clip** in the upper left corner. Please no binders or any other type of binding. Submittals must be able to fit into a 9 x 11.5 inch folder.

1. **Company Information and Minimum Qualifications:** Provide information that clearly demonstrates how your company meets the **minimum qualifications** listed in this RFP.

Provide the name of your company (including the name of any parent company), business address, email address, Federal Tax ID number, telephone and fax numbers, and names and titles of key management personnel, and a brief history of your company. Provide a brief statement of who is authorized to submit the proposal on the behalf of your company. Please make sure that person signs and dates the statement. If your company is making any exceptions to the Port's Agreement for Airport Parking Management Services (**Attachment 11**) and/or this RFP, they must be clearly set forth in your proposal and noted in this section. Exceptions are discouraged and may result in lower evaluation points during the Port's evaluation of your proposal.

Please also provide information on the financial guarantor of your proposal as requested in Section 8.2 on page 8. These financial statements will not count toward the maximum allowed page count.

Proposer shall submit **audited financial statements for the most recent calendar year** as required by the Qualifications Form referenced in Section 8 of the Scope of Services titled Minimum Qualification Requirements. If financial statements of any entity other than the Proposer are included in a Proposal, they will be disregarded by the Port in its evaluation of the Proposal unless each other entity joins in the Proposal as a guarantor by signing the Proposer's Statement and Representation included with the Proposal Forms. Proposer's Statement and Representation obligates each such entity to execute and deliver to the Port the Guaranty included as **Exhibit Q** to the Agreement at the same time that the Proposer executes and delivers the Agreement to the Port. If Proposer is a joint venture newly created for this opportunity, the financial statement requirement shall be satisfied with respect to each partner. The submittal of the audited financial statements for the most recent calendar year financial will not count against their total page count.

The submittal of the audited financial statements for the most recent calendar year financial will not count against their total page count.

2. **Knowledge and Experience:** Provide relevant information about your company's knowledge and experience, including a list of three or more projects (in similar size and scope to this RFP), with brief descriptions that demonstrate your experience. Also, provide the names of key personnel who will be assigned to do the work under this project and provide their relevant experience. This includes key corporate contacts throughout the contract period, onsite contract transition staff and operations staff.
3. **Client References:** Provide names, addresses and contact information for three (3) current clients. Provide the size and scope of each project and a brief description of the projects. Please make sure all contact information is current. By providing such information, you authorize us to contact such clients.
4. **Plan and Approach:** Provide an overview describing the general approach, scope of services, and methodology of your company's ability to fulfill the general functions required in this RFP. Please use this section to describe the services you propose to provide to the Port and more important, how do your experience and capabilities set you apart from the competition? What insight and experience can your company offer that others can't? The Port is particularly interested in insight into the use of new PARCS technology, such as bar coding and loyalty programs to increase parking demand. Your description of the Services can be above and beyond the requirements listed in the "Scope of Service" section and must include your Transition Plan and approach to beginning the Services.

Transition Plan: Proposer should provide a Transition Plan detailing the process whereby the Proposer assumes management and operational control of the services. The Transition Plan will include, but not be limited to:

- a. Steps to be taken by the Proposer prior to, the day of, and the period following the date that the successful Proposer assumes management and operational control of the Shuttle Services
 - b. Required actions on the part of the Port
 - c. Identification of all legal requirements including business licenses and incorporation requirements (if necessary), business permits, etc.
 - d. Hiring and staffing plan (including organization structure of on-site personnel)
 - e. Timeline for implementing all steps included in the Transition Plan including requirements on the part of the Port; and
 - f. Other elements of a successful Transition Plan that the Proposer believes are required and are not listed above
5. **Proposed Management Fee Worksheets:** Enter your proposed project costs on RFP Attachment 4 - Proposal Worksheet, and attach related fee schedules. The Worksheet is

designed so that proposers may prepare and submit a cost proposal for this RFP only; or submit a Management Fee that assumes you are selected for both the Public Parking Management Services and the Shuttle and Curbside Management Services. If you intend to submit proposals in response to both RFPs, please complete both Parts A and B of the Management Fee proposal. **(see Attachment 4).**

6. **Debarment Statement:** Provide a written statement that your company has not been debarred from providing services to any State or Federal Agency within the last five (5) years. Sign and date your statement. If your company has been debarred, you will need to provide background information and the reason(s) for the debarment. Provide the name and contact information for the agency that debarred your company. The Port must review the reason(s) and duration for the debarment before it can determine if your company can be considered for this project.
7. **Litigation and Other Information:** Provide information describing any litigation, arbitration, investigations, or any other similar actions that your company, its principals, directors, and/or employees have been involved in during the last five (5) years relating to your company's services. Please list (a) name and court case or other identification number of each matter, (b) jurisdiction in which it was filed, and (c) outcome of matter (e.g. whether the case is pending, a judgment was entered, a settlement was reached or the case was dismissed). The Port will review the reason and timing of the action before it can determine if your company can be considered for this project. Failure to provide the litigation information may disqualify your proposal.
8. **Required Forms and Adherence to Port Policy and Other Requirements:** The Respondent must fill out all of the forms included in this RFP (listed under the "Attachments" section and marked with a "Yes" in the column titled "Must Be Returned with Proposal"), and return them with your proposal. By returning the listed forms, your company is supporting and agreeing to the Port Policy and Other Requirements (listed in Section III, "Port Policy and Other Requirements" of this RFP). Failure of the Respondent to provide any of the required forms may result in your proposal being rejected for non-responsiveness. These required forms will not count against the maximum page count (indicated above) for your response.

V. Evaluation Criteria

Prior to contract award, the Port must be assured that the Respondent selected has all of the resources required to successfully perform under the contract. This includes, but is not limited to, personnel with the required skills and experience, equipment/materials and financial resources sufficient to provide services called for under this contract. If during the evaluation process, the Port is unable to assure itself of the Respondent's ability to perform under the contract, if awarded, the Port has the option of requesting from the Respondent any information that the Port deems necessary to determine the Respondent's capabilities. If such information is required, the Respondent will be notified and will be permitted five (5) working days to submit the requested information.

In awarding the contract, the Port will evaluate a number of factors in combination. Please make sure you have submitted responses to all items listed in the Submission Requirements section, as your responses will be evaluated based on the weights listed below.

A. Evaluation Weights

Item	Criteria	Weights
	<u>Adherence to Port Policy and Other Requirements and Debarment Statement</u> Proposals from companies who have not or will not adhere to the Port Policy and Other Requirements or who have been debarred and have not provided sufficient reasons/justification for the Port to review the circumstances surrounding the debarment will not be forwarded to the evaluation committee for review. (Items 6 and 8 of the Submission Requirements section.)	Pass/Fail
	<u>Minimum Qualifications Requirements</u> Described in Part II-Section 8 Scope of Services. Proposals that do not provide sufficient documentation that clearly demonstrates your company meets the minimum qualifications listed in this RFP will not be forwarded to the Evaluation Committee for review.	Pass/Fail
1	<u>Company Information, Client References, Litigation and Other Information, and Required Forms</u> Respondent's capacity to provide professional service as evidenced by past performance, company information, reference checks, litigation and other information, and required forms. (Items 1, 3, 7, and 8 of the Submission Requirements section.)	20%
2	<u>Knowledge and Experience</u> Respondent's knowledge and experience in providing the Airport Public Parking Management Services as evidenced from your response to item 2 of Submission Requirements section.	20%
3	<u>Plan and Approach, Scope of Services and Recommendations</u> As evidenced from your response to Part IV- Submission Requirements Section 4.	25%
4	<u>Proposed Costs</u> As evidenced by your response to item 5 of the Submission Requirements section, and as provided on Attachment 4-Proposal Worksheet. Fee Proposal includes premiums on required insurance coverage including Healthcare, Workers' Compensation factor, and proposed combined management fee for both the Parking and Shuttle/Ground Transportation Management contracts.	30%
5	<u>Requested Changes in Agreement</u> Proposers requesting no changes to the terms of the Port agreement (Attachment 11) receive the maximum available points. Requests for changes to terms of the agreement may reduce points received.	5%
	Total	100%

B. Selection Procedure:

All proposals received by the deadline which meet the RFP's requirements will be presented to the evaluation committee comprised of Port of Oakland staff and possibly external members. The evaluation committee will evaluate the proposals and score all submissions according to the evaluation criteria above. The selection process may include interviews (at the discretion of the evaluation committee) for the top-scoring submissions. If interviews are to take place, the Port will notify the top scoring Respondents. Interview details and scoring requirements will be provided to selected Respondents prior to the interviews.

VI. Additional Provisions

The terms "Company", "Consultant", "Contractor", "Proposer", "Respondent", "Seller", "Supplier", and "Vendor" whenever appearing in this RFP or any attachments, are used interchangeably to refer to the company or firm submitting a proposal in response to this RFP.

A. Port's Legal Name and Jurisdiction

The Port of Oakland (the "Port") is legally known as the City of Oakland, a Municipal Corporation, Acting by and through its Board of Port Commissioners. The Port is an independent department of the City of Oakland. The Port has exclusive control and management of all Port facilities and properties. Port facilities and properties consist of marine terminals, a railway intermodal terminal and container storage areas (collectively, the "Seaport"); the Oakland International Airport (the "Airport"); and commercial and industrial land and properties (collectively, "Commercial Real Estate"); and other recreational land, other land, undeveloped land, and water areas, all located in Oakland, CA. The Port issues Purchase Orders under the name Port of Oakland.

B. Ownership of Proposal

All rights to information developed, disclosed, or provided in a Proposal and its attendant submissions are the property of Port, unless a Respondent makes specific reference to data that is considered proprietary. To the extent that a Respondent does not make specific reference to data that is considered proprietary, submission of an RFP constitutes the Respondent's express (a) grant and assignment of a perpetual, transferable (in whole or in part), non-exclusive royalty-free license to the Port for copyright, patent, or other intellectual property right (collectively referred to as "intellectual property"), and (b) agreement that the Port may use any such intellectual property without charge for any lawful purpose in connection with other Port development projects, including without limitation the creation of derivative works and issuance of sublicenses.

C. Public Records Act

Per the Public Records Act (Gov. Code 6250 et seq.), the Port may be obligated to make available to the public the submitted proposal and all correspondence and written questions submitted during the Request for Proposal process. However, such disclosure shall not be made prior to the date on which the Port publishes a final Board agenda report recommending award of the contract. Any trade secrets or proprietary financial information, which a Respondent believes should be exempted from disclosure, shall be specifically identified and marked as such. Blanket-type identification by designating whole pages or sections shall not be permitted and shall be invalid. The specific information must be clearly identified as such.

The Port reserves the right to independently determine whether any document is subject to disclosure and to make such information available to the extent required by applicable law, without any restriction.

D. Indemnification

If Respondent is selected to receive a contract, it will be required to agree to the indemnification clause contained in Section 18-Assumptions of Risks: Indemnification (**Attachment 11**).

E. Reimbursable Expenses

Attachment 11-Exhibit D details reimbursable expenses under this contract. All expenses associated with the Contract Transition and start-up tasks are not separately reimbursable.

F. Port's Right to Modify

Respondents are advised that the Port has not incurred any obligations or duties in soliciting this Request for Proposals. The Port, at its sole discretion, reserves the right to reject any or all proposals submitted in response to this RFP; to request additional information or clarification of information submitted; to cancel or modify, in part or in its entirety, this RFP; to request new RFPs or pursue any other means for obtaining the desired services; to waive

any informalities or minor irregularities in the RFP, and other inconsequential deviations from the RFP's requirements. The Board of Port Commissioners retains the right to award this project in part or in total to the Respondent(s) of its choice, and to decide to undertake the project or to terminate the project at any time prior to approval of a formal contract.

G. Conflicts of Interest

By submitting a proposal, the Respondent represents that it is familiar with Section 1090 and Section 87100 et seq. of the Government Code of the State of California, and that it does not know of any facts that constitute a violation of said sections in connection with its proposal. Respondent also represents that its proposal has completely disclosed to the Port all facts bearing upon any possible interests, direct or indirect, which Respondent believes any member of the Port, or other officer, agent or employee of the Port or any department presently has, or will have, in any agreement arising from this RFP, or in the performance thereof, or in any portion of the profits there under. Willful failure to make such disclosure, if any, shall constitute ground for rejection of the proposals or termination of any agreement by the Port for cause. Respondent agrees that if it enters into a contract with the Port, it will comply with all applicable conflict of interest codes adopted by the City of Oakland and Port of Oakland and their reporting requirements.

H. Cost of Preparing a Response

All costs for developing a response to this RFP and attending any proposal meetings or selection meetings are entirely the responsibility of the Respondent and shall not be chargeable to the Port.

I. Law Compliance

The Respondent must comply with all laws, ordinances, regulations and codes of the Federal, State, and Local Governments, which may in any way affect the preparation of proposals or the performance of the contract.

J. Respondent's Relationship

The Respondent's relationship to the Port shall be that of independent contractor and not deemed to be agent of the Port.

K. Proposal Considerations and Legal Proceeding Waiver

The Port has absolute discretion with regard to acceptance and rejection of proposals. In order to be considered the party submitting a proposal waives the right to bring legal proceedings challenging the Board of Port Commissioners choice of the award.

L. False Statements

False statements in a proposal will disqualify the proposal.

M. Taxes

The Respondent will be responsible for all Federal, State, and Local taxes.

N. Grade of Service

The Respondent must provide professional service and maintain appropriate personnel to provide expedient and courteous service.

O. The Respondent's Liability

The Respondent shall be responsible for any and all damages to the Port's premises resulting from the negligent acts or willful misconduct of the Respondent's agents or employees.

P. Amendments

The Port may, at its sole discretion, issue amendments to this RFP at any time before the time set for receipt of proposals. The Respondents are required to acknowledge receipt of any amendments (addenda) issued to this RFP by acknowledging the Addendum in the space provided on the RFP Acknowledgement and Signature Form. The Port shall not be bound by any representations, whether oral or written, made at a pre-proposal, pre-contract, or site

meeting, unless such representations are incorporated in writing as an amendment to the RFP or as part of the final contract. All questions or requests for clarification concerning material terms of the contract should be submitted in writing for consideration as an amendment.

Q. Withdrawal or Modification of Offers

The Respondent may modify or withdraw an offer in writing at any time before the deadline for submission of an offer.

R. Acceptance

Any offer received shall be considered an offer which may be accepted or rejected, in whole or in part, by the Port based on initial submission with or without discussions or negotiations.

S. Representations

No representations or guarantees of any kind, either made orally, or expressed or implied, are made with regard to the matters contained in this document, including any attachments, letters of transmittal, or any other related documents. The Respondent must rely solely on its own independent assessment as the basis for the submission of any offer made.

T. Award Consideration and Length of Contract

The Port shall not be bound to accept the lowest-quote fee and will award the contract (if any) to the company/firm selected through the competitive process (and any subsequent interviews) outlined in this RFP.

The Port will award a three-year (3) contract (if any) and will have the option to issue two (2) one-year extensions not to exceed a total period of 5 years (at the costs quoted in this proposal).

U. Contract Termination

The Port may terminate the agreement with the Respondent on thirty (30) days' notice without cause or immediately for cause.

V. Protest Procedures

Any party that has timely submitted a responsive proposal that contends or claims that the Port's proposed award of the subject contract fails to comply with the Port's rules and regulations or with law must file a protest in accordance with the provisions set forth below:

1. Any protest must be submitted in writing to John Betterton, Secretary of the Board, and received by the Port no later than 5:00 p.m. by the third (3rd) business day following publication of the identity of the apparent successful proposer (or of Notice of Intend to Award, if such notice is issued).
2. The protest must include the name, address and telephone number of the person representing the protesting party.
3. The initial protest document must contain a complete statement of the basis for the protest, including in detail, all grounds for protest including referencing the specific portion of the solicitation document that forms the basis for the protest, and including without limitation all facts, supporting documentation, legal authorities and argument in support of the grounds for the protest. Any matters not set forth in the written protest shall be deemed waived. All factual contentions must be supported by competent, admissible and credible evidence.

Any protest not conforming to the foregoing shall be rejected by the Port without recourse.



Non Collusion Declaration

RFP No.: 17-18/02, Airport Public Parking Management Services

(To Be Executed By Proposer and Submitted With Proposal)

I, _____, declare as follows:

That I am the _____ of _____, the party making the attached proposal; that the attached proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or sham; that the proposer has not directly or indirectly induced or solicited any other proposer to put in a false or sham proposal, or that anyone shall refrain from proposing; that the proposer has not in any manner, directly or indirectly, sought by agreement, communication, or to fix any overhead, profit, or cost element of the proposal price, or that of any other proposer, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the proposal are true; and further, that the proposer has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

Any person executing this declaration on behalf of a proposer that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this _____ day of _____, 201__, at
_____, California

Signature

Authority: Public Contract Code 7106
CCP 2015.5



PORT OF OAKLAND

Statement of Equal Employment Opportunity

RFP No.: 17-18/02, Airport Public Parking Management Services

I hereby certify that _____ (Legal Name of Respondent/Supplier/Consultant/Contractor), will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, age (over 40), physical or mental disability, cancer-related medical condition, a known genetic pre-disposition to a disease or disorder, veteran status, marital status, or sexual orientation.

I declare under penalty of perjury under the laws of the State of California that the information I have provided herein is true and correct and is of my own personal knowledge.

Signature

Print Name

Title

Date



PORT OF OAKLAND

RFP Acknowledgement and Signature Form

RFP No.: 17-18/02, Airport Public Parking Management Services

The undersigned having carefully examined the location of the proposed work, the local conditions of the place where the work is to be done, the Invitation, the General Conditions, the Specifications and all of the documents for this project, proposes to enter into a contract with the Port of Oakland to perform the work listed in this RFP, including all of its component parts, and to furnish any and all required labor, materials, equipment, insurance, bonding, taxes, transportation and services required for this project in strict conformity with the plans and specifications prepared, including any Addenda, within the time specified.

Addendum Acknowledgement:

The following addendum (addenda) is (are) acknowledged in this RFP: _____

Acknowledgement and Signature:

1. No Proposal is valid unless signed in ink by the person authorized to make the proposal.
2. I have carefully read, understand and agree to the terms and conditions on all pages of this RFP. The undersigned agrees to furnish the services stipulated in this RFP.
3. I represent that undersigned meets all of the Qualifications Criteria listed in Part II Section 8 of this RFP.
4. I represent that I am familiar with Section 1090 and Section 87100 et seq. of the Government Code of the State of California, and that I do not know of any facts that constitute a violation of said Sections in connection with the proposal.

Respondent's Name and Title: _____

Company Name: _____

Address: _____

Telephone: _____ Fax: _____

Email: _____ Cell Number: _____

Contractor License # (if applicable): _____ Expiration Date: _____

Federal Tax Identification Number: _____

Authorized Signature: _____ Date: _____

Decline RFP:

We **do not** wish to submit a Proposal on this Project. Please state your reason below. Please also indicate if you would like to remain on our Supplier list.

Reason: _____

Company: _____ Address: _____

Name: _____ Signature _____ Date: _____

**RFP No.: 17-18/02, Airport Public Parking Management Services**

Proposers must complete and submit the Management Fee Worksheet and other requested content on this Attachment 4.

Assumptions and Instructions for Preparing this Worksheet

- 1) Enter the profit and overhead component of your Fixed Annual Management Fee, for Year 1. To calculate Profit & Overhead for years 2-5, apply an assumed annual CPI of 3.0%. (The actual CPI from the US Bureau of Labor Statistics for the Bay Area will be applied following each contract year to modify the profit and overhead portion of the Management Fee).
- 2) Enter your proposed combined annual insurance premiums, excluding Workers Compensation. These premiums are fixed and will not increase based on CPI.
- 3) TOTAL MANAGEMENT FEE: Lines 1 + 2.

Management Fee Worksheet

Please complete the following table and submit it with your proposal.

Completing this Part A of the Fee Proposal is mandatory					
A. Parking Management Services	Contract Year				
	Year 1	Year 2	Year 3	Year 4	Year 5
1. Profit & Overhead (a)					
2. Insurance Premiums Commercial General Liability, Automobile and Garage Keepers Legal Liability					
3. Management Fee (1+2)	\$	\$	\$	\$	\$
Complete this Part B of the Fee Proposal ONLY if you are submitting proposals for both the Parking Management Services and Shuttle/Ground Transportation Services contracts					
B. Parking Management Services (b)	Year 1	Year 2	Year 3	Year 4	Year 5
1. Profit & Overhead (a)					
2. Insurance Premiums Commercial General Liability, Automobile and Garage Keepers Legal Liability					
3. Management Fee (1+2)	\$	\$	\$	\$	\$

- (a) Profit & Overhead may not exceed 10% of annual operating budget excluding Management Fee, Insurance Premiums and Credit Card Commission (Exhibit D).

(b) Proposers that wish to be awarded both the Public Parking Management Services and the Bus Shuttle and Ground Transportation Services contracts must list proposed management fee in Row B.1 for Parking Management Services, if Proposer is awarded both contracts. This fee should take into account economies of scale if awarded both contracts. In your proposal for the Shuttle and Ground Transportation Services contract, also enter your proposed management fee in Row B.1 of that proposal.

Proposed Workers Compensation Rate for Contract Year 1

Proposer commits to use the following rate to compute the Workers Compensation Premium during the first year of Operations:

Public Parking Management Services _____ % of actual payroll expense

Proposed Healthcare Costs for Non-Represented Staff

Please enter your proposed monthly contributions, for each plan option, per non-represented staff person for up to two healthcare plans offered. The Port shall reimburse these premium amounts, properly applied, in each contract year.

	<u>Plan 1</u>	<u>Plan 2</u>
Individual Employee Coverage	_____	_____
Individual Employee + 1	_____	_____
Individual Employee + 2 or more	_____	_____

Proposed Annual Salaries for Senior On-site Parking Staff

These will be the starting salaries for these positions. Annual increases in Port reimbursement will be limited to the same CPI-based adjustment applied to the Management Fee. Contractor may elect to increase compensation to the incumbents of these positions, but reimbursement by the Port will be limited to the amounts entered here, adjusted annually.

General Manager \$ _____

Assistant General Manager \$ _____

Finance and Accounting Manager \$ _____

All proposed Management Fees, costs and cost factors described in this Attachment 4 will be factored into the Fee selection criteria included in RFP Part V on page 13. The undersigned, a duly authorized officer of the Proposer, hereby commits the Proposer to these fees, costs and cost factors.

Respondent Name: _____ Title: _____

Company Name: _____

Authorized Signature: _____ Date: _____



PORT OF OAKLAND

**Quarterly Reporting for Participation of
Airport Concession Disadvantaged Business Enterprises (ACDBE)**

Prime Concessionaire Submitting Report: _____ For Quarter Ending: _____

Name and Address of Prime Concessionaire and Airport Concession Disadvantaged Business Enterprise (ACDBE)	Telephone and Fax Numbers Email Address	ACDBE * Certification Number	Description of Prime and ACDBE Services	Dollar Amount of Sales, Purchase or Lease of Goods and Services	Lease Amount Or Minimum Annual Guarantee	Total Lease Amount

*The certified firm is issued a certificate by the California Unified Certification Program (CUCP). ACDBE status may be obtained by accessing the CUCP website: <http://www.dot.ca.gov/hq/bep/index.htm> or by calling (916) 324-1700 or (866) 810-6346. If the firm was certified as an ACDBE at the time it started work on this lease, but was decertified before completing its portion of the work, enter the dollar amount of ALL services performed by the firm, INCLUDING SERVICES PERFORMED AFTER THE CERTIFICATION DATE. This report must be submitted with the Form of Quarterly Report Certificate. For questions regarding this form, contact Lila Zinn at (510) 627-1485.



PORT OF OAKLAND

Quarterly Report Certificate Letter

(Below is a sample Quarterly Report Certificate Letter that must be filed with the quarterly Airport Concession Disadvantaged Business Enterprise Report)

(Print on Company Letterhead)

(Date)

Mr. Bryant L. Francis
Director of Aviation
Port of Oakland
530 Water Street
Oakland, CA 94607

Dear Mr. Francis:

I, _____, do hereby certify as follows:

1. I am the [**insert a title - *Chief Financial Officer***] of _____, the Permittee/Lessee under a Permit/Lease with the Port of Oakland for (*fill in type of service*) with dated _____, 20xx (the "Permit/Lease").
2. The attached Quarterly Report of the Permittee/Lessee for the quarter ending _____, 20_, was prepared in accordance with all of the applicable requirements of the Permit/Lease, and all of the information contained in this Quarterly Report is true and correct.

Sincerely,

Signature

Name

Title



Disadvantaged Business Enterprise Program Affidavit

RFP No.: 17-18/02, Airport Public Parking Management Services

I hereby certify that I _____ (Legal Name of Respondent/Supplier/Consultant/Contractor), shall carry out applicable requirements of 49 Code of Federal Regulations (CFR) [Part 23](#) in the award and administration of this contract and cooperate with the Port of Oakland in meeting its commitments and objectives with regard to ensuring nondiscrimination, and shall use best efforts to ensure that barriers to participation of Disadvantaged Businesses do not exist.

Upon execution of an Agreement, the selected consultant will be required to complete quarterly DBE attainment reports and a final report at contract completion, and submit them to the Social Responsibility Division.

I declare under penalty of perjury under the laws of the State of California that the information I have provided herein is true and correct.

Signature

Print Name

Title

Date



PORT OF OAKLAND

**City of Oakland City Charter § 728
Living Wage Information**

**EMPLOYERS SUBJECT TO §728 OF THE CITY CHARTER MUST COMPLY WITH THE
FOLLOWING REQUIREMENTS:**

- 1) Pay all non-exempt employees the living wage rates (As of July 1, 2017, \$15.31 without health benefits or \$13.32 with health benefits). Port Ordinance No. 3666, as amended also requires that covered businesses provide employees at least twelve compensated days off per year, including holidays.
- 2) Pay at least \$1.99 per hour worked toward the provision of health care benefits for employees and/or their dependents, if the employer claims credit for health benefits.
- 3) **Provide written notification to each current and new employee, at time of hire, of his or her rights to receive the benefits under the provisions of these regulations.** The notification shall be provided in English, Spanish and other languages spoken by a significant number of the employees, and shall be posted prominently in communal areas at the work site. A copy of said notification is available from the Port Division of Social Responsibility.
- 4) Provide all employees earning less than \$12/hour notification in English, Spanish, and any other language spoken by a significant number of employees of their right to advance Earned Income Credit payments.
- 5) **Submit name, address, date of hire, occupation classification, rate of pay, benefits paid for each of its employees, and compensated time off – in a web accessed monitoring system at <https://www.elationsys.com/app/Registration/>, by March 31st, June 30th, September 30th, and December 31st of each year.** If a covered employer has obtained a waiver from the Port Board of Directors, then the employer must still submit an annual payroll report covering each of its employees by December 31st of each year. Failure to provide the list within five days of the due date will result in a penalty of \$500 per day. Covered employers shall maintain payrolls and basic records for all employees and shall preserve them for a period of at least three years after the close of the compliance period.
- 6) Require subcontractors, tenants and subtenants, or licensees who are covered by these requirements to comply with the provisions of these regulations. **Covered employers shall be responsible for including language committing the subcontractor's, tenant's or licensee's agreement to comply, in the contract with the subcontractor.** Covered employers shall submit a copy of such subcontracts or other such agreements to the Port Division of Social Responsibility.
- 7) Permit authorized Port representatives access to work sites and, with employee consent, relevant payroll records for the purpose of monitoring compliance with these regulations, investigating employee complaints of non-compliance and evaluating the operation and effects of these regulations, including the production for inspection and copying of its payroll records for any or all of its employees for the applicable compliance period. Permit a representative of the labor organizations in its industry to have access to its workforce at the Port during non-working time and in non-work areas to ensure compliance.

Employers who fail to submit documents, declarations or information required to demonstrate compliance with these regulations shall be deemed noncompliant or non-responsive and subject to the remedies as set forth in §728.



PORT OF OAKLAND

**Employer Self-Evaluation for
Port of Oakland Living Wage**

COVERED BUSINESS CHECKLIST WRITE YES/NO ANSWER IN APPROPRIATE BOX:

1. ☐ Is the Business entering into a contract, tenancy agreement or subordinate agreement (such as, subcontract, subtenancy, or sublicense) with the Port? *If no, go on to question 2. If yes, go to question 3.*
2. ☐ Has the Business amended an existing contract, tenancy agreement or subordinate agreement at any time since April 2002? *If no to 1 and 2, stop here: the business is not covered. If yes, go to question 3.*
3. ☐ Is the contract with Aviation or Maritime divisions for a value of greater than \$50,000 over the life of the contract (over the next five years if contract is for less than a year and expected to be renewed or extended)? *If no, stop here; the contract is not covered. If yes, go to question 4.*
4. ☐ Is the contract for service other than the delivery of products, equipment or commodities? *If no, stop here: the business is not covered. If yes, go to question 5.*
5. ☐ Does the Business employ more than 20 employees who spend at least 10 hours per week (4 hours per week if part time employees) working under the contract with the Port or on Port property? Indicate the number of employees that are employed by the Contractor _____. *If no, stop here the business is not covered. If yes, go to question 6, exemptions for specified employees of a covered employer.*

All employees of a covered employer are required to be provided compensation and other benefits as provided under §728 of the Charter, except for specified employees exempt under the following exemptions. The following questions should be answered for each employee.

6. ☐ *Does the employee work less than 25% of his/her time (10 hours per week for full time employee) under the contract with the Port? If yes, stop here; the specified employee is exempt. If no, go to question 7.*
7. ☐ *Is the employee under 21 years of age, employed by a government agency or nonprofit for after school or summer employment, or as a trainee for 90 days or less? If yes, stop here; the specified employee is exempt. If no, go to question 8.*
8. ☐ *Has the Business obtained a waiver that covers the employee? If yes, stop here; the specified employee is exempt. If no, go to question 9.*
9. ☐ *Is the employee participating in a bona-fide temporary job-training program in which a significant part of the compensation consists of acquiring specialized*

knowledge, abilities or skills in a recognized trade? If yes, stop here; the specified employee is exempt. If no, go to question 10.

10. ☐ *Is the employee a volunteer who is not compensated other than for incidental expenses or stipends?* If yes, stop here; the specified employee is exempt. If no, go to question 11.
11. ☐ *Is the employee working for the Business less than 20 hours per week for a period of 6 months or less?* If yes, stop here the specified employee is exempt. If no, go to question 12.
12. ☐ *Of the remaining employees (employees for which no exemption applies as indicated by your answers to questions 6 through 11), are there 20 or fewer non-exempt employees working for the employer under the Port Contract?* If yes, stop here; each of the remaining specified employee(s) is/are exempt. If no, each of the remaining specified employee(s) is covered by §728.

The undersigned authorized representative of Contractor hereby certifies under penalty of perjury that all of the information on this form is true and accurate.

_____ Company Name	_____ Signature of Authorized Representative
_____ Address	_____ Type or Print Name & Title
_____ Area Code and Phone	_____ Email Address
_____ Name of Primary Contact	_____ Date
_____ Project Name (Be Specific)	

Submit Completed Checklist To:

Connie Ng-Wong

Port of Oakland

Social Responsibility Division

530 Water Street

Oakland, CA 94607

Phone: (510) 627-1390 Fax: (510) 451-1656

Email: cng-wong@portoakland.com



PORT OF OAKLAND

Certificate of Compliance – Living Wage

The City of Oakland Living Wage Charter §728 ("§728") and Port Ordinance No. 3666 ("Ordinance 3666") as amended, provide that certain employers that enter into a contract, lease, license (or a subcontract, sublease, sublicense, or other agreement) with the Port for \$50,000 or more over the term of the contract and certain recipients of Port financial assistance for \$50,000 or more shall pay a prescribed minimum level of compensation to their covered employees ("Employees").

The undersigned ("Contractor") submits this certificate under penalty of perjury and as a condition of payment of its invoice(s) for service provided under the _____ agreement between the Port and Contractor.

- 1) Contractor hereby certifies that it is in compliance with §728 and Ordinance 3666 with respect to all non-exempt Employees of Contractor engaged in Port-related employment or work on Port property.
- 2) Contractor hereby acknowledges that the Port is relying on Contractor's certification of compliance with §728 and Ordinance 3666 as a condition of payment of Contractor's invoice(s).
- 3) Contractor understands that it may be subject to fines or penalties for noncompliance with §728 and Ordinance 3666 up to and including potential fines of \$500 per day until Contractor complies.
- 4) Contractor hereby certifies that claims, records and statements relating to Contractor's compliance with §728 and Ordinance 3666 are true and accurate, that such claims, records and statements are made with the knowledge that the Port will rely on such claims, records and statements, and that such claims, records and statements are submitted to the Port for the express benefit of Contractor's employees engaged in Port-related employment or work on Port property.

Please check the appropriate box and sign below

- ☐ Contractor hereby certifies its compliance with all of its obligations under §728 and Ordinance 3666;
- ☐ Contractor hereby certifies that all Employees of Contractor working under Contractor's contract with the Port are compensated at wage rate(s) greater than \$12.00 per hour;
- ☐ Contractor hereby certifies that it is not currently covered by §728 or Ordinance 3666. Contractor further certifies that should §728 or Ordinance 3666 become applicable, Contractor will comply with all of its Living Wage obligations.

All terms used herein and not defined shall have the meaning ascribed to such terms in §728 and Ordinance 3666.

The undersigned authorized representative of Contractor hereby certifies under penalty of perjury that all of the information on this form is true and accurate.

_____ Company Name	_____ Signature of Authorized Representative
_____ Address	_____ Type or Print Name & Title
_____ Phone and Email	_____ Date
_____ Project Name (Be Specific)	

Submit to: Connie Ng-Wong, Port of Oakland, Social Responsibility Division, 530 Water Street, Oakland, CA 94607. Email: cng-wong@portoakland.com



PORT OF OAKLAND

Statement of Living Wage Requirements

RFP No.: 17-18/02, Airport Public Parking Management Services

I hereby certify that _____ (Legal Name of Respondent/Supplier/Consultant/Contractor), has reviewed the Living Wage Requirements, included herein as Attachment 7 to this Request for Proposal and will comply with said Requirements. Upon execution of an Agreement, the selected consultant will be required to complete the Employer Self-Evaluation Form and Certificate of Compliance –Living Wage Form of this Request for Proposal, and submit them to the Social Responsibility Division.

I declare under penalty of perjury under the laws of the State of California that the information I have provided herein is true and correct.

Signature

Print Name

Title

Date



PORT OF OAKLAND

Supplier Insurance Requirements

Please refer to Attachment 11-Exhibit M (Agreement), for Insurance requirements.



PORT OF OAKLAND

Insurance Acknowledgement Statement

RFP No.: 17-18/02, Airport Public Parking Management Services

I hereby certify that _____ (Legal Name of Respondent) agrees to meet all of the Port's Insurance requirements included in Agreement for Airport Parking Management Services attached to this Request for Proposal and Respondent will be able to evidence such insurance when and if awarded the contract and will provide proof of insurance at the time of project award if awarded the contract.

I declare under penalty of perjury under the laws of the State of California that the information I have provided herein is true and correct and is of my own personal knowledge.

Signature

Print Name

Title

Date

RFP No.: 17-18/02, Airport Public Parking Management Services

Attachment 11

Services Agreement

(RFP No. 17-18/02)

OAKLAND INTERNATIONAL AIRPORT

AGREEMENT

FOR

AIRPORT PARKING MANAGEMENT SERVICES

BETWEEN

**CITY OF OAKLAND,
A MUNICIPAL CORPORATION ACTING BY AND THROUGH ITS
BOARD OF PORT COMMISSIONERS**

AND

TBD

DATED

[DECEMBER 1, 2017]

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AGREEMENT FOR AIRPORT PARKING MANAGEMENT SERVICES

THIS AGREEMENT FOR AIRPORT PARKING MANAGEMENT SERVICES, dated as of the 1st day of December, 2017 (“Agreement”), is entered into by and between the CITY OF OAKLAND, a municipal corporation (“City”), acting by and through its Board of Port Commissioners (hereinafter referred to as the “Port” or “Port of Oakland”), and TBD, LLC, a _____, as the operator (hereinafter referred to as the “Operator”).

W I T N E S S E T H

WHEREAS, the Port desires to have parking management services at the Port’s public parking lots at Oakland International Airport (the “Airport”), further identified on Attachment 1, subject to modification by the Port as provided for in this Agreement (hereinafter the “Parking Facilities”); and

WHEREAS, the Port further desires to provide for professional and expert management and operation of said parking management services (“Services” or “Parking Services” is more fully described and defined in Section 3.1), and has solicited proposals from firms with experience and expertise in the management and operation of similar parking services; and

WHEREAS, in response to such solicitations and the Port’s Request for Proposals for Airport Parking Management Services (the “RFP”), the Operator has submitted a proposal (the “Proposal”) in response to the RFP; and

WHEREAS, Operator has the requisite experience and expertise in providing the Services; and

WHEREAS, the Port desires to retain Operator as an independent contractor to manage and operate the Services in accordance with this Agreement;

NOW, THEREFORE, in consideration of the terms, covenants and conditions contained herein to be kept and performed by the respective parties hereto, IT IS MUTUALLY AGREED AS FOLLOWS:

1. **RETENTION OF OPERATOR**. The Port does hereby retain Operator, and Operator agrees with the Port, to manage and operate as an independent contractor, and to provide the Services as described in this Agreement. The Operator agrees to provide such Services at locations at the Airport as directed from time to time by the Port’s Director of Aviation (hereinafter the “Director”) or the Director’s designees, including the Port’s Assistant Director of Aviation, any of the Port’s Business Office staff, the Port’s Airport Duty Manager, or any individual authorized as a designee by the Director (any of the aforementioned individuals hereinafter referred as the “Designee”). The Operator shall be responsible for all functions related to staffing, supervision and overall professional management of the Services hereunder, including hiring, training, scheduling, evaluating services and coordinating with Port staff.

2. TERM OF AGREEMENT.

2.1 Term. The term of this Agreement shall be for an initial term of three years commencing December 1, 2017 ("Commencement Date"), and terminating November 30, 2020, unless the Port exercises one or more of its extension options provided for in Section 2.2, in which case this Agreement shall terminate the last day of the last Extension Term exercised by the Port pursuant to Section 2.2. The term "Operating Term" shall mean the term of this Agreement as provided in this Section 2.1 and any Extension Term of this Agreement resulting from the Port's exercise of its extension options under Section 2.2.

2.2 Agreement Extension Options. The Port shall have the right, at its sole discretion, to extend this Agreement for up to two (2) extension periods of one (1) year each (each referred to herein as an "Extension Term"). Each extension option shall be exercised by the Port providing notice thereof in writing to Operator not less than sixty (60) days before the last day of the initial term or applicable Extension Term. Notwithstanding any other provision of this Agreement, the Port's Executive Director or the Director of Aviation may terminate this Agreement with or without cause at any time as provided in Section 23.1.

2.3 Transitional Period. For a period of thirty days prior to the Commencement Date (the "Transition Period"), the Port shall provide access to Operator to the Parking Facilities to prepare for Operator's commencement of the Services on the Commencement Date. Prior to the commencement of the Transition Period, Operator shall furnish the certificates of insurance to the Port of Oakland Risk Management Department evidencing that the insurance requirements under the Agreement are met. The indemnity provisions of Section 18 shall apply to the acts or omissions of the Operator and of Operator's officers, agents, employees, contractors, subcontractors, subtenants, invitees, vendors, suppliers or licensees during the Transition Period to the same extent such provisions apply during the Operating Term.

3. SCOPE OF SERVICES; OPERATOR'S OBLIGATIONS. The Operator agrees to provide the Services as directed from time to time by the Director or the Designee. Operator further agrees that its management and operation duties shall include the following duties to be performed in the following manner:

3.1 General. The Services described in this Section 3.1 are collectively referred to in this Agreement as the "Services" or "Parking Services." During the term of this Agreement, Operator shall provide the highest level of professional, courteous, safe, and efficient Parking Services in a quiet and orderly manner, so as not to annoy, disturb, injure, harm or offend the general public, the tenants of the Airport, and Port personnel in any manner, all in conformance with industry standards and in compliance with all Laws. Operator shall perform Parking Services as directed from time to time by the Director or the Designee, and in accordance with the rules and regulations and operational procedures established or approved from time to time by the Port. The operational procedures shall be established or approved by the Director or the Designee. All such service shall be consistent with the standards and specifications set forth in Exhibit A, entitled PARKING SERVICE REQUIREMENTS. Operator shall provide Parking Services in each of Port's Public Parking Lots listed as items 1-5 in Attachment 1. Operator's

obligations with respect to the Parking Facilities shall continue and be transferred to any replacement areas designated by the Port for public parking.

3.2 Schedule. Operator agrees to provide the Services at such locations as specified in Exhibit A, per scheduled hours, seven (7) days per week, every day of the year, legal holidays included, unless and until such other hours of Services or other locations are established in writing by the Director or the Designee, and, in such case, Operator shall provide these Services during those hours and from those locations.

3.3 Promotion. Operator agrees to use Operator's best efforts to work with Port in promoting utilization of the Parking Facilities and to manage the Services to produce exceptional customer service and the maximum possible financial return for the Port. Operator shall work with Port to prepare a recommended plan for promoting on-Airport Parking utilization of and optimizing revenue from the Parking Facilities annually. Operator shall update this plan and the Budgets referenced in Section 3.5 below no less than annually, and prior to the time Port would be required to exercise its right to extend this Agreement for any Extension Term.

3.4 Resources. Operator shall dedicate sufficient staff, equipment and other resources exclusively to implement the Services as specified in this Agreement and shall not divert such dedicated staff, equipment or resources to any other parking service or other business. The Operator shall assist the Port in promoting the use of the Airport by the public. Except as otherwise authorized by the Port's Executive Director or Director in writing, neither the Operator nor any of its owners or Affiliates shall operate a parking facility, or provide parking management services or any other services substantially similar to any of the Services within a seven-mile radius of the boundary of the Airport during the Operating Term of this Agreement. As used in this Section 3.4, Affiliate shall mean, with respect to any person or entity, another person or entity which, directly or indirectly controls, is controlled by, or is under common control with, the specified person or entity.

3.5 Expense Budget. Operator shall provide the Parking Services within budget amounts established pursuant to this Agreement. The ANNUAL OPERATING BUDGET FOR PARKING SERVICES, for the first year of the Operating Term is attached hereto as Exhibit B-I and made a part of the Agreement and incorporated herein by reference (the "Park Budget" or "Budget"). The Budget for each additional year of the Operating Term will be prepared by Operator and approved by Port in accordance with the requirements of Exhibit D, and any reference to a "Budget" in this Agreement for the initial term shall refer to the applicable Budget attached to this Agreement, and for any subsequent year of the Operating Term shall refer to a Budget or Budgets so approved by Port. Except for expenses approved by the Port for those expenses relating to additional services or for timing variations, and except as otherwise expressly provided in this Agreement, the monthly budget set forth in the Budget will establish the maximum amount reimbursable by the Port for the Port's fiscal year.

Where this Agreement or any of its Exhibits requires the Port's approval of any expenditure to be reimbursed by Port to Operator or of any increase in the amount of any payment to be made by Port to Operator hereunder, the Port's approval must be in writing and must be from the Director or the Designee, but notwithstanding any provision of this Agreement

or any of its Exhibits to the contrary, such approval may be obtained before or after any such expenditure was incurred by Operator.

4. MANAGEMENT FEE AND REIMBURSEMENTS. In addition to Port's reimbursement of the Reimbursable Expenses (as defined in Section 5.1 below), subject to the limitations contained in this Agreement, and as compensation for all Services hereunder during the Operating Term, the Port shall pay to the Operator the following aggregate management fees (collectively the "Management Fee").

4.1 The Port will pay Operator a fixed portion of the Management Fee of \$_____ in the first year of the Operating Term:

Profit and Overhead: \$

Insurance Premiums: \$

Total Fixed Fee: \$

Overhead-Compensation includes salary, healthcare and other fringe benefits, for these four positions: General Manager, Assistant General Manager, Accounting Manager and Audit Manager. Insurance premiums are for policies and coverage required in Exhibit M, excluding Workers' Compensation premiums. The Profit and Overhead component of the fixed portion of the Management Fee payable during the second and each subsequent year of the Operating Term shall be subject to adjustment as provided in Section 9 below.

The insurance premiums included in the fixed portion of the Management Fee shall include the following maximum amounts in each contract year, for required insurance coverages specified in Exhibit M of this agreement.

<u>Contract</u> <u>Year</u>	<u>Annual</u> <u>Amount</u>
1	\$
2	\$
3	\$
4 (if option exercised)	\$
5 (if option exercised)	\$

4.2 Variable Component of Management Fee. In each year of the Operating Term, the Operator is eligible to earn a variable component of the Management Fee ("VMF"), determined as follows:

- Operator may earn a maximum of \$25,000 per calendar-quarter / \$100,000 per year
- Operator must share 25% of the earned VMF with its OAK staff
- Each VMF award shall be based on a sliding scale of 75% to 100%

- Each quarterly, biannual or annual review of Operator performance shall be based on the following criteria:
 1. Improve Service: demonstrated and quantified reduction in exit queues / wait times, customer assistance / interaction, responsiveness to customer complaints, PARCS Maintenance and Availability and minimized downtime
 2. Management Performance: operating budget adherence; introduce cost and operational efficiencies, e.g. shift scheduling, employee training, contract compliance: timely report submittal, accurate invoicing, etc., recommend/implement service or facility improvements
 3. Marketing/Promotional:
 - Grow Frequent Parker and Corporate Parker membership
 - Manage and grow Airport Parking social network sites
 - Other promotional and outreach efforts
 4. Facility Appearance/Cleanliness and Proposed/Implemented Improvements: proactively improve signage/wayfinding, customer amenities

4.3 Payment of Management Fee. The fixed portion of the Management Fee will be paid by the Port in twelve equal monthly installments in each year of the Operating Term. The Port will remit payment to Operator of any variable portion of the Management Fee within 60 days of the end of each year of the Operating Term. The invoiced, payable Management Fee shall be adjusted to reflect reduced expense due to vacant management positions for which total compensation (including benefits) is included in the Management Fee.

5. EXPENSE REIMBURSEMENTS. Operator shall pay all Reimbursable Expenses (as defined in Section 5.1 below) incurred in performing the Services at the Airport, approved by the Port pursuant to Section 3.5 above and pursuant to reimbursement procedures set forth in attached Exhibit D, in accordance with the policies and procedures set forth in this Agreement and subject to the limitations contained in this Agreement.

In addition to the fixed and variable Management Fees, the Operator shall be reimbursed for the following specific amounts:

Healthcare Premiums

Operator shall be reimbursed for healthcare premiums for staff who are not represented by a labor union, at the following rates in each contract year. Reimbursed premiums shall be net of employee contributions.

Premium Level	Monthly Premium-Plan 1	Monthly Premium-Plan 2
Individual Employee	\$	\$
Individual + one person	\$	\$
Individual + two or more persons	\$	\$

Healthcare premiums for staff represented by a labor union shall be reimbursed at the amount noted in the Collective Bargaining Agreement unless said staff are enrolled in the company's plan, in which case reimbursement shall be at the level noted above. However annual increases in health insurance premiums for represented staff shall not exceed 7%. Represented staff who elect to forego health insurance coverage may not apply the value of this benefit to other fringe benefits.

Workers Compensation Insurance

Operator shall be reimbursed for workers compensation insurance premiums for all staff at a rate of X.XX% of direct labor expense, excluding employee payroll taxes and fringe benefits, in each contract year. Workers Compensation insurance premiums that are based on overtime pay shall be applied on a net-straight time basis.

5.1 Monthly Reports and Budget. Operator shall submit to the Port accurate monthly reports detailing operating expenses for the previous month for which Operator is seeking reimbursement from the Port, pursuant to reimbursement procedures set forth in attached Exhibit D hereof. No later than thirty (30) business days following the Port's receipt of the reports and supporting documentation required by this Agreement and subject to the Port's set-off rights provided for in this Agreement, the Port shall reimburse to the Operator actual, properly documented expenses, without markup or premium, that are applicable to the month covered by the report, provided such expenses are reimbursable in accordance with attached Exhibit D ("Reimbursable Expenses"), unless otherwise provided in this Agreement, and as such Budget may be adjusted pursuant to Section 9. The provisions of this Section 5.1, and of Section 3.5 and Exhibit D, shall not prevent Operator from being reimbursed for expenses properly attributable to a month and that were not covered by the report for such month, provided that (i) any such expense could not be properly documented by Operator at the time such report was submitted to Port, (ii) Operator submits proper documentation for such expense and an amended report within sixty (60) days after the end of the month in which such expense was actually incurred, and (iii) such reimbursement will not cause the total or line items amount for that month for that Service set forth in the approved budget that includes that month to be exceeded unless otherwise provided in this Agreement. Until receipt of all such certifications, reports and supporting documentation, the Port shall have no obligation to pay to Operator any of the aforesaid amounts. All Operator operations must be fiscally responsible and adhere to rigorous budget accountability. The Operator shall be strictly accountable for all expenses, and shall provide Port with a detailed monthly budget report and income statement, which shall include detailed explanations of significant budget variances. Operator shall meet with Port staff on a quarterly basis to review adherence to the approved annual expense budget, explain significant variances, and develop a plan to maintain budget adherence. In the event of a disagreement between the Operator and the Port, the Port retains the sole authority to reasonably and in good faith determine whether a proposed expense is reimbursable.

5.2 Personnel Expenses. Personnel expenses actually paid to perform the Services shall be charged to the Port at the salaries or rates set forth in the applicable Budget approved by Port, as calculated according to the methods included in attached Exhibit D, without any markup and subject to the limitations contained in this Agreement. Annual cost of living salary increases that apply to represented staff shall be effective starting with the first pay period beginning in the month of July.

5.3 Overbilling and Overpayment. If in any given month, the Operator submits a report, invoice or bill that overstates the actual expense to the Operator of a Reimbursable Expense or charges the Port for more than what should properly be charged to the Port pursuant to this Agreement and the Port makes such reimbursements or payments to the Operator in reliance on such report, invoice or bill, Operator shall immediately:

a) Repay the Port for any such amount of overpayment together with interest equal to twenty-five one-thousandths of one percent (.025%) of such amount for each day from the day the Port made its reimbursement or payment to the Operator until the day the overpayment is refunded to the Port, but not to exceed the maximum rate of interest permitted by law;

b) If the amount of the overpayment is more than two percent (2%) of the sum which should properly have been reimbursed or paid to the Operator, the Operator shall, in addition to Section 5.3(a) above, pay a \$200.00 Administrative Fee for each invoice, report or bill which overcharges the Port, not to exceed \$500.00 per month, to compensate the Port for the administrative services and burdens in such overpayment recovery; and

c) If the amount of the overpayment is more than five percent (5%) of the sum which should properly have been reimbursed or paid to the Operator, the Port shall, in addition to remedies provided for in Sections 5.3(a) and 5.3(b) above, have the right to terminate this Agreement for cause.

In addition to remedies provided for in Sections 5.3(a) through 5.3(c) above, Operator shall pay the cost of any audit by the Port Audit Department (including salary, fringe benefits, other direct expenses of the audit and an additional 20% of those costs to cover administrative charges) if such audit reveals, uncovers or identifies an overpayment of more than two percent (2%) of the sum which properly should have been reimbursed or paid, less a credit for any Administrative Fee charged pursuant to Section 5.3(b) above.

As an example, but without limitation, submitting a duplicate bill, invoice or report or a request for reimbursement resulting in a duplicate payment to the Operator or a request for reimbursement of an expense that is not a Reimbursable Expense resulting in any payment by Port shall be considered an overpayment by the Port for purposes of this Section 5.3.

The Port's approval of an expenditure pursuant to Section 3.5 above or Exhibit D to this Agreement shall not waive any of the Port's rights under this Section 5.3 unless the amount of the overstatement or the amount of the excess charge was described as such in a written

disclosure to the Director or the Designee and was approved in writing by the Director or the Designee after such written disclosure.

Any amount owed by Operator to Port pursuant to this Section 5.3 or any other provision of this Agreement may be set-off by Port against the Management Fee or any other amount otherwise payable by Port to Operator pursuant to this Agreement, including, without limitation, payment of Reimbursable Expenses.

6. COLLECTION OF REVENUES.

6.1 Parking Revenues. Operator shall collect all charges and fees for the Parking Services (“Parking Revenues”) at the rates established by the Port pursuant to Section 6.2 below. Operator shall carry out procedures and programs to safeguard all receipts collected by Operator’s employees from the Parking Services as set forth in attached Exhibit E. Operator shall be responsible for the separate accounting and depositing with the Port on a daily basis (except as otherwise provided in Section 6.5 below) of all of the Parking Revenues. Operator agrees that all receipts are and shall remain monies of the Port. Operator shall be trustee for the benefit of the Port of all receipts Operator collects from users of the Services, and as such trustee Operator agrees to use utmost diligence and care in safeguarding and delivering to the Port all such receipts. Operator shall be responsible for such receipts, fees and funds and shall take every precaution to protect same and to insure that all sums due and owed to the Port from the Services operated by Operator are properly assessed, collected, accounted for and deposited according to the policies and procedures set forth in this Agreement. Operator shall employ only bondable persons in connection with the Parking Services. The Operator shall be strictly liable for any discrepancies between actual receipts and the amounts deposited with the Port. Monthly cash overages will be retained by the Port. Monthly cash shortages will be paid by the Operator to the Port. All receipts shall be deposited or delivered to the Port free and clear of all claims, demands, set-offs or counterclaims of any kind or character by Operator against the Port.

6.2 Parking Rates. Public Parking Rates shall be established by ordinance adopted by the Board of Port Commissioners; provided that Operator may recommend rates to the Port and the Port will consult with Operator prior to establishing such rates during the Operating Term of this Agreement.

6.3 Theft. Operator shall establish and maintain a program for selection of employees assigned to the Services and for monitoring their conduct that is reasonably calculated to prevent theft by Operator’s employees and other persons of Parking Revenues. Operator agrees that such program shall include, without limitation, provision for identification and exclusion of prospective and existing employees who have been convicted of any crime involving theft or dishonesty by a court of competent jurisdiction.

6.4 Payment of Receipts to Port. Operator agrees that, unless and until otherwise directed in writing by the Director or the Designee, Operator shall deposit Parking Revenues at least once each day (except on Thanksgiving day, Christmas day and New Year’s day, when the deposit shall be made on the next business day, unless the Port gives the Operator written direction that the deposit be made on any such holiday and agrees to reimburse Operator for any

reasonable costs directly related to such deposit, including the cost of armored car service) at a time approved by the Director or the Designee, in the depository provided by the Port as specified in writing from time to time by the Director or the Designee. Failure of Operator to make such deposits in the manner required will result in the assessment of an Administrative Fee as specified in attached Exhibit F. In addition, any error in the amount of the Parking Revenues deposited, including credit card deposits that are not resolved within thirty (30) calendar days, will result in the assessment of an Administrative Fee as specified in attached Exhibit F.

6.5 Monthly Revenue Report. Operator shall submit to the Port separate monthly reports for the accounting of the Parking Revenues, with preliminary numbers submitted by the 5th calendar day of each month (unless such 5th calendar day falls on a weekend or legal holiday, in which event the reports shall be due on the next business day), and with final numbers submitted by the 10th calendar day of each month (unless such 10th calendar day falls on a weekend or legal holiday, in which event the reports shall be due on the next business day). It is the expectation of the Port that each report shall be free from errors and omissions and will be an accurate measure of revenue and deposits for the month. To the extent the report is in error, the Port may deduct an Administrative Fee as specified in attached Exhibit F.

7. BOOKS AND RECORDS; ACTIVITY REPORTS.

7.1 Maintenance and Production of Books and Records. Operator shall maintain complete and accurate books of account and supporting documentation including records and logs required required to be kept as specified in contract Exhibits (collectively “books and records”) in a form consistent with generally accepted accounting principles, including such books and records as would normally be examined by an independent certified public accountant in performing an audit or examination of Operator’s receipts and expenses in rendering the Services in accordance with generally accepted accounting principles. The Operator shall maintain full and adequate records in accordance with Port’s requirements to show the Parking Revenues collected by the Operator, and to show the actual costs incurred by Operator in the performance of the Services, including employee timecards and payroll receipts required to be kept pursuant to attached Exhibit J.

7.2 Inspection of Books and Records. All such books and records shall, upon reasonable notice from Port, be made available either at the offices of the Port or at the offices of the Operator, for inspection and copying by the Port through its duly authorized representative. If such books and records are not kept and maintained by Operator within a radius of ten (10) miles from the offices of the Airport Business Department at 1 Airport Drive, eet, Oakland, California, Operator shall, upon request of the Port, make such books and records available to the Port for inspection at a location within said ten (10) mile radius or Operator shall pay to the Port the reasonable and necessary costs incurred by the Port in inspecting Operator’s books and records, including, but not limited to, travel, lodging and subsistence costs. Operator shall provide such assistance as may be reasonably requested by the Port in the course of such inspection. The Port further reserves the right to examine and reexamine and copy said books, records and data during the three (3) year period following the expiration or earlier termination of this Agreement, as evidenced in writing by the Port. The Operator shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any matter whatsoever for three (3) years after

the Port makes the final or last payment under this Agreement; provided, however, that if prior to the expiration of such three (3) year period, any audit, review or investigation is commenced by the Port, or any claim is made or litigation is commenced relating to this Agreement by the Port or the Operator, such books and records shall continue to be maintained by Operator, and Port shall continue to have the right to inspect and copy such books and records in the manner stated above, until the audit, claim or litigation is finally resolved (including the determination of any and all appeals or the expiration of time for such appeal).

7.3 Port Audit. The Operator shall provide an Audit Manual (“Audit Manual”) to the Director, within thirty (30) days from the date of this Agreement, for review and approval by the Director or the Designee. The Operator shall devise, revise, comply with and maintain the Audit Manual under the same terms and conditions as provided for in the Operations and Procedures Manual submitted pursuant to Section 10.2. Exhibit G attached to this Agreement provides information to assist in structuring such manual and shall be replaced by the Operator’s Audit Manual once approved by the Director or the Designee.

7.4 Audit of Other Records. During the Operating Term, in addition to its rights under Section 7.2 above, the Port may audit any or all payments made by the Port as reimbursement for expenses pursuant to this Agreement and all Parking Revenues collected and remitted to the Port. In case of such audit, the Operator shall make available to the Port any and all ledgers, books of accounts, canceled checks, and other records or documents evidencing or relating to revenue collections, expenses, payroll records and staffing schedules of personnel assigned to the Services and such other evidence or information as the Port may require with regard to any revenues, payroll or other expenditure charged by the Operator. The Port shall notify the Operator of such audit and Operator shall provide such records in the manner, time and place as provided for in Section 7.2 above and in attached Exhibit G.

7.5 Activity Reports. Operator shall keep and maintain reports as specified in Exhibit AI and notwithstanding any provision to the contrary contained in this Agreement, shall make such reports available for inspection and review immediately upon request by the Port.

7.6 Deductions from Payments to Operator. The Port shall have the right to deduct from the Management Fee or any other amount payable to the Operator (including, without limitation, payment of Reimbursable Expenses), upon written notice, any unauthorized or disputed expenses, under-remittance of Parking Revenues, any Administrative Fees imposed, overpayment of expenses by the Port and any other amounts owed by Operator to the Port. If the Port is required or elects to pay any sum, or if it incurs any obligations or expenses, because of the failure, inability, neglect or refusal of the Operator to perform or fulfill any of its obligations under this Agreement, then the Port shall have the right to deduct these sum(s) from the Management Fee or any other amounts payable to the Operator including, without limitation, payment of Reimbursable Expenses.

7.7 Computer files. Operator shall provide, at its expense, a computerized revenue maintenance system to maintain all records of the Parking Revenues (“Computer System”), which shall be submitted to the Director for review and approval within thirty (30) days from the Commencement Date. Operator shall maintain the Computer System and back-up files on at

least a weekly basis and keep such back-up files for a period of at least one (1) year. Operator shall, at its expense, provide to the Port copies, in electronic form, of the back-up files upon written request from the Director or the Designee. In addition, upon the expiration or earlier termination of this Agreement, Operator shall provide, in electronic form, to the Port all of the back-up files it was required to maintain under this Section 7.7. Operator's obligations under this Section 7.7 shall not limit its obligations under Sections 7.1-7.5 above.

7.8 Tolling. Operator agrees to toll on the first day of an audit and ending four (4) years thereafter any matter arising out of an audit by or on behalf of the Port pursuant to this Agreement. In addition to any tolling provided for in this Section, and regardless of whether or not the Port commences an audit, Operator agrees to waive, to the greatest extent permitted by applicable law, the defense of laches, statute of limitations, or any other defense based upon the Port's failure to timely file an action with regard to any matter arising out of this Agreement or an audit. The tolling agreement and waiver set forth in this Section shall be inadmissible in any proceeding to determine liability or damages or any issue in dispute (other than such tolling or waiver itself) under this Agreement or an audit.

8. ADMINISTRATIVE FEES. Exhibit F, entitled ADMINISTRATIVE FEES, is attached to and made a part of the Agreement and incorporated herein by reference ("Administrative Fees").

8.1 Reasonable Estimate of Port Expenses. The parties agree that certain aspects of the Operator's performance are extremely important to the Port and that the Operator's failure to perform these activities will result in administrative and monitoring expenses and burdens on the Port and its staff. Therefore, the parties agree that the Administrative Fees described in attached Exhibit F are reasonable estimates of such expenses and may be imposed on the Operator at the sole discretion of the Director or the Designee.

8.2 Waiver. The Director or the Designee may elect to waive an assessment of Administrative Fees for a particular violation; however, that waiver shall not apply to prior or subsequent violations and shall not be deemed to set a precedent for further waivers. If the Operator disputes the violation that resulted in the imposition of an Administrative Fee, it may submit to the Director or the Designee, within ten (10) days of its receipt of written notice of the Administrative Fee, a written request for a review of such Administrative Fee pursuant to Article 11.3 of The Airport Rules and Regulations (Port Ordinance No. 4362 or the comparable provisions of any successor thereto), in which event the hearing procedures set forth in said Article 11.3 shall be applicable to Port and Operator with respect to such Administrative Fee.

8.3 Assessment. Any Administrative Fees shall be assessed by the Director by written notice to Operator, identifying the performance failure that resulted in the assessment of such Administrative Fees. No Administrative Fees will be assessed if the performance failure is due to any event of Force Majeure, as defined in Section 35.10 below.

9. MANAGEMENT FEE AND REIMBURSEMENT ADJUSTMENT.

9.1 Adjustment to Budget and Management Fee During Operating Term.

a) The profit and overhead components of the fixed portion of the Management Fee (excluding insurance premiums) for each contract year and annual Extension Term will be adjusted either by a percentage equal to the change in the Consumer Price Index for the San Francisco Bay Area from the previous year, or three percent (3%), whichever is less, or such greater amount as the Port may approve in writing, which approval may be granted or denied in the Port's sole discretion.

b) Should any Senior Management position, for which total compensation is included in the Fixed Management Fee, become vacant, the invoiced and payable Management Fee shall be adjusted to reflect that vacancy, for as long as that position is vacant. Such adjustments shall reflect reduction in applicable salary, fringe benefits and related payroll taxes.

c) Any Variable Fee component of the Management Fee will be based upon the provisions of Section 4.

9.2 Change in the Consumer Price Index. For the purposes of this Agreement the "change in the Consumer Price Index" is defined as the difference between the Consumer Price Index, Urban Wage Earners and Clerical Workers, (base year 1982 - 1984 = 100) for the San Francisco - Oakland - San Jose CMSA, published by the United States Department of Labor, Bureau of Labor Statistics ("Index") published most immediately preceding the most recent anniversary of the Commencement Date ("Extension Index") and the Index published most immediately preceding the commencement date of the prior term ("Beginning Index"). If the Extension Index published has increased or decreased compared to the Beginning Index, then except as otherwise provided in this Section 9, the fixed portion of the new Management Fee shall be set by multiplying the fixed portion of the Management Fee for the prior term by the quotient of Extension Index (numerator) divided by the Beginning Index (denominator). If any of Operator's union employees obtain a wage increase during the Operating Term, then the Budget for the Extension Term will be adjusted for the salary or wage increase for any union employee position or category (in lieu of the increase provided for above for that portion of the Budget); provided, however, that without the written approval of the Director or the Designee, which the Port agrees will not be unreasonably withheld or delayed, such increase for any of Operator's union employees shall not be in excess of the annual percentage increase for the general wage as set forth in the most current Memorandum of Understanding with the Port and SEIU Local 1021.

9.3 Change in Service Locations, Level And Scope Of Services. The Port, through the Director or the Designee, may from time to time by prior written notice to Operator, increase or decrease the locations at which Services shall be provided, increase or decrease the required staffing or the hours during which Services shall be provided, increase or decrease the number of spaces in the Parking Facilities, or change the locations at which the Services are to be provided. Upon any such additions and/or reductions in any area of the Services or the Parking Facilities, required staffing for the Services or times of the Services, or relocation of any area at which the Services are to be provided, the term "Parking Facilities" and "Parking Services" shall be construed to incorporate such respective additions, reductions or relocated areas. In the event the Port proposes to add or and/or reduce the Operator's scope of service, or increase or decrease the

hours of operation or staffing from those established pursuant to Exhibits A, the Port shall calculate such Services and shall review the Budgets and Reimbursable Expenses with the Operator and make respective adjustments, but shall make no adjustment to the Management Fee. However, if the adjustment in Services shall increase or decrease the number of public parking spaces by at least twenty-five percent (25%) from the total number of public parking spaces detailed in the Parking Facilities described in Attachment 1, excluding the employee permit parking spaces described on Attachment 1, then the parties will agree on a reasonable increase or decrease, if any, to the fixed portion of the Management Fee (excluding insurance premiums), which shall be set forth in an addendum to this Agreement executed by the Operator and the Director. Any such adjustment to the Reimbursable Expenses or the Management Fee shall be negotiated and agreed upon in good faith by the parties. Adjustments to the Reimbursable Expenses shall reasonably approximate the pro-rata adjustment in the Services. Adjustment to the Management Fee shall reasonably compensate for the adjustment in the Services provided by the Operator, but need not be made on a pro-rata basis. The Port reserves the right to terminate this Agreement on thirty (30) days' written notice to the Operator if the parties are unable to agree in good faith on the amount of adjustments.

Operator acknowledges that the Port does not represent or warrant the accuracy of any financial or statistical information provided by the Port, or that past passenger traffic levels or any forecast of future passenger traffic levels at the Airport will be achieved, or that airlines currently serving the Airport will continue to serve the Airport in the future. Port reserves the right (a) to further develop, improve, repair and alter the Airport and all roadways, Parking Facilities, terminal facilities, landing areas and taxiways as it may see fit, free from any and all liability to Operator for loss of business or damages of any nature whatsoever to Operator occasioned during the making of such improvements, repairs, alterations and additions, including but not limited to any damages resulting from negligence of Port or its employees, agents or contractors, and (b) to establish such fees and charges for the use of the Airport by Operator and all others as Port may deem advisable, including, without limitation, parking charges to Operator, its customers and employees and to Operator's vendors making deliveries to Operator anywhere on the Airport.

10. OPERATIONS.

10.1 Reserved.

10.2 Operations and Procedures Manual. Operator shall develop an Operations and Procedures Manual ("Operations Manual"), or modify the Port's existing Operations Manual based upon its best judgment and best industry standards, and shall provide a copy to the Director and the Designee, within thirty (30) days from the Commencement Date, for review and approval by the Director or the Designee. The Operator will confer with the Director or the Designee in its preparation of the Operations Manual and shall revise the Operations Manual from time to time as required by the Director or the Designee. A description of the current Airport Parking Operations Manual, which is attached to this Agreement as Exhibit I, shall be replaced by a version containing the Operator's proposed modifications, as approved in writing by the Director or the Designee.

The Operations Manual shall provide basic guidance on policies, practices, and procedures covering all aspects of facility management and operation, including but not limited to standards of performance. The Operator shall keep the Operations Manual current and shall comply with its provisions throughout the Operating Term. Any revision shall be subject to the written approval of the Director or the Designee. Each revision to the Operations Manual shall have a revision number and date. The Operations Manual shall become an integral part of the Agreement, but in the event of any conflict between the Operations Manual and this Agreement, the terms of this Agreement shall prevail. The Operations Manual, including all revisions as approved by the Director or the Designee, is herein incorporated into and made a part of this Agreement. The failure of the Operator to comply with or satisfy the requirements as spelled out in the Operations Manual shall be an Event of Default hereunder, entitling the Port to all of the remedies set forth herein.

10.3 Report of Injuries or Loss. The Operator, using a form provided by the Port, shall immediately report any personal injuries, property loss or damage, threats or potential threats against life or property or any incident or activities that present imminent danger to health and safety of the general public. Any emergency conditions requiring immediate attention are to be reported by telephone immediately to the Airport's 24-hour line and to the Alameda County Sheriff or as otherwise directed in writing by the Port. A follow-up written report using a Port-approved form and report template, detailing the emergency condition and corresponding action taken, shall be submitted to the Port within 24 hours. Reports must be signed by an authorized contractor employee and all photographs included in reports must be clearly and accurately labeled. Failure to provide a written report within 24 hours will result in the assessment of an Administrative Fee as specified in Exhibit F.

10.4 Credit/Charge Cards and Traveler's Checks.

a) Operator shall do business with a Port-specified and approved credit card processor.

b) Once the Port has provided Operator with written evidence that the revenue control system provided by the Port pursuant to Section 13.1(b) below has been designated as Payment Card Industry-Data Security Standards ("PCI-DSS") compliant, Operator shall, for the remainder of the Operating Term of this Agreement, maintain a PCI-DSS compliant operation for processing credit card payments. Any changes to the Payment Card Industry ("PCI") environment made by Operator, or with the knowledge of the Operator by any entity other than the Port, shall require a minimum of 30-days advance notice to and written consent from the Port. Substantive changes to the PCI environment include, but are not limited to, the addition of any devices, software, infrastructure components or connections to the Internet or other network. The Port reserves the right to perform PCI compliance assessments on the Parking Facilities. The Port shall provide the Operator with a minimum of 48 hours written notice prior to performing such audits. The Operator shall make all relevant systems, services and personnel available to the Port or to Port designated third-parties to perform such audits. The Operator shall maintain PCI-compliant business operations as defined by the PCI-Security Standards Council ("PCI-SSC"), for all aspects of its business relationship with

the Port. Promptly after the Operator's receipt from the Port of the written evidence described in the first sentence of this Section 10.4(a), the Operator shall provide a third-party generated report on compliance, in the format prescribed by the PCI-SSC. The Operator shall provide follow-up reporting (at least yearly from the date of the last assessment as provided by the third-party assessor to the Operator). The Operator shall ensure that the provided report on compliance reporting shows PCI-DSS compliance, continually from the Operator's receipt from the Port of the written evidence described in the first sentence of this Section 10.4(a) through the end of the Operating Term of this Agreement. The Operator shall deliver personally to the Director or the Designee written notice of any suspected breaches or loss of cardholder data as soon as discovered, and within two (2) hours of an event whenever possible. Such notification shall be acknowledged in writing by the Director or the Designee. The Operator shall be responsible to provide appropriate resources (internal to the Operator, or via a third-party) to provide comprehensive breach, and/or failure analysis if a breach or loss of cardholder data is suspected. The Operator shall provide complete reporting to the Director or the Designee on the extent of exposure, including all card and cardholder information that may have been lost. The Operator shall construct and maintain a PCI compliance manual that specifies the policies, procedures and controls implemented by the Operator to ensure PCI-DSS compliance, specific to this relationship with the Port.

c) At all times during the Operating Term of this Agreement, Operator shall maintain in full force and effect a credit card processing agreement with a third party provider approved in writing by the Director or the Designee, under which such third party provider agrees that all funds payable to the Operator, as merchant thereunder, shall be paid directly to a Port account in a bank or other financial institution designated in writing by the Port; and accept as payment for Services nationally recognized credit, debit or charge cards, including without limitation American Express, MasterCard, Discover and VISA, as well as internationally recognized Traveler's Checks. Such cards shall be accepted for all purchases greater than five dollars (\$5.00). In addition, during the Operating Term of this Agreement, Operator shall be responsible for the security of all cardholder data that the Operator processes.

11. PERSONNEL. Exhibit J, entitled PERSONNEL, is attached and made a part of this Agreement.

11.1 Training Manual. The Operator shall provide a Training Manual ("Training Manual") to the Director, within thirty (30) days from the Commencement Date, for review and approval by the Director or the Designee. The Operator shall devise, revise, comply with and maintain the Training Manual under the same terms and conditions as provided for in the Operations Manual submitted pursuant to Section 10.2. Exhibit K attached to this Agreement provides information to assist in structuring the Training Manual and shall be replaced by the Operator's Training Manual once approved by the Director or the Designee.

11.2 Removal of Employees. The Port, at its sole discretion, reserves the right to require the Operator to remove, and to keep removed, from the Services, the Parking Facilities, the Premises any employee, including parking attendants, cashiers and supervisors, if said

employee has failed to perform in accordance with any of the terms or conditions of the Agreement, or if said employee is alleged to have been involved in wrongdoing, while those allegations are under investigation. The Operator shall remove from the Services, the Parking Facilities, and the Premises any employee who operates a vehicle recklessly or in a manner that endangers the safety of Airport patrons, under the influence of alcohol or other prohibited substances or who no longer satisfies the requirements set forth in attached Exhibit J. The Operator will comply with any request to remove any such employee as soon as written notice is received from the Port. Operator's failure to comply within twenty-four (24) hours of receipt of such notice shall be considered an Event of Default hereunder, entitling the Port to all of the remedies contained in this Agreement. Operator shall immediately remove any employee of the Operator from the Services, the Parking Facilities, and the Premises, if the Operator is advised that the Director or the Designee has determined in his or her sole discretion that the seriousness of the incident justifies such immediate removal.

11.3 Uniforms. Operator shall furnish all uniforms at Port's expense to all Parking Services personnel in sufficient quantity to assure an official appearance for all such personnel. Standard style uniforms with shirt, tie, badge, trousers and jackets must be used. All uniforms shall be selected by the Port and obtained from a vendor selected by the Operator and approved by the Port. Operator agrees that each employee shall only use Port approved uniforms.

11.4 Public Relations. Operator shall operate the Services in compliance with the highest degree of industry operating standards. The Operator shall provide a Public Relations Procedure Manual ("Public Relations Manual") to the Director, within thirty (30) days from the Commencement Date of this Agreement, for review and approval by the Director or the Designee. The Operator shall devise, revise, comply with and maintain the Public Relations Manual under the same terms and conditions as provided for in the Operations Manual in Section 10.2. Exhibit L attached to this Agreement, provides information to assist in structuring such manual and shall be replaced by the Operator's Public Relations Manual once approved by the Director or the Designee.

12. PREMISES. For the purpose of performing all duties and obligations required by the Agreement and for no other purpose, the Port shall allow Operator, as a licensee and at no charge to Operator, to use an operations space, as well as a Parking Management Office ("PMO"), at the Airport (collectively, the "Premises"), each of a size and in a location to be determined by the Director. The Port reserves the right to terminate the license at any time and to relocate, from time to time and at the Port's expense, the Operator to such other space or location at the Airport as determined by the Director. The license to use the Premises provided herein shall cease upon the expiration or earlier termination of this Agreement.

12.1 Maintenance. Except as otherwise expressly provided in this Section 12.1, Operator shall provide all custodial services, maintenance and repairs to the Premises and shall keep the Premises clean, attractive and in good repair and safe condition, and shall keep the Parking Facilities and all other locations from which any of the Services are provided in a clean and sanitary condition. Responsibilities include removal of refuse and debris from the Parking Management Office exterior and cleaning the interior of the break room facility including

bathroom fixtures; and parking facility maintenance and improvements as specified by Airport staff.

Operator's scope of services shall not include maintenance of employee permit parking facilities listed as items 6-10 in Attachment 1 or other parking lot used by the Port to accommodate permit parking. However the Port may direct Operator to provide staff to sell parking permits, either in the Parking Management Office or in another Airport office. The Port shall provide at its own expense all maintenance, repairs and replacement of the structural portion of the Premises and of the Parking Facilities, except with respect to damage resulting from negligence or willful misconduct of Operator, its officers, agents, employees, contractors or invitees, in which case the cost of repair shall be borne by Operator. Operator shall have no obligation under this Agreement to make physical modifications to the Premises or other locations at the Airport where the Services are to be performed to comply with applicable Laws (as defined in Section 25.1 below).

12.2 Safe and Sanitary Working Conditions. The Operator shall not permit any part of the Services to be performed under hazardous or dangerous conditions to its employees or the general public. Subject to the limitations in the last sentence of Section 12.1 above, the Operator shall comply with all Laws applicable to the Premises, the Parking Facilities and all other locations from which any of the Services are performed. The Operator shall, at least once each day, inspect the Parking Facilities and all other locations at which the Services are being provided and the Premises to determine whether any hazardous or dangerous conditions exist or if any such location is in need of maintenance or repair. Operator shall immediately provide Port with telephonic notice, which shall later be confirmed by written notice, of any and all hazardous or dangerous conditions or any need for maintenance or repair at the Parking Facilities and any other locations where the Services are being provided or at the Premises and of any injuries or damages resulting directly or indirectly therefrom, together with whatever information Operator has about the party responsible for creating any such condition. The Port shall have responsibility for correcting any hazardous or dangerous condition existing at the Parking Facilities or other location where the Services are being provided or, to the extent provided in Section 12.1 above, the Premises, following notice to Port by Operator of the existence of such hazardous or dangerous condition. The Operator shall reimburse the Port promptly after its written demand for (a) any liability incurred by the Port (i) which arose out of any hazardous or dangerous conditions, and any injuries or damages resulting directly or indirectly therefrom, caused by the Operator, its officers, agents, employees, contractors or invitees, or (ii) which arose after Operator should have reported such conditions to Port pursuant to the provisions of this subsection, and (b) the costs incurred by the Port to correct any such hazardous or dangerous condition to the extent caused by Operator, its officers, agents, employees, contractors or invitees.

12.3 Utilities. The Port shall pay the cost of all water and electricity utility services to the Premises. The Port will install and pay for all desktop telephone equipment on the Premises. The Port shall determine the number of lines and phones to be provided to the Premises. The Port will reimburse Operator for local telephone charges only. Subject to the limitations in Section 33 below, the Port shall provide all maintenance and repairs of such telephone equipment to keep such equipment in good working condition, except for damage resulting from the

negligence or willful misconduct of Operator, its officers, agents, employees, contractors or invitees, in which case the cost of repair shall be borne by Operator. The Operator shall pay for all other telephone equipment and telephone service costs, which shall not be reimbursable by Port.

12.4 Area Access. For the purpose of performing the Services, the Port grants the Operator, without charge therefore, the right of ingress to and egress from the Premises, the Parking Facilities, and all other Airport locations from which any of the Services are to be performed by the Operator, its officers, agents, employees, contractors or invitees; provided that such right of ingress and egress shall at all times be exercised in compliance with all applicable Laws; and provided further that such right of ingress and egress shall not be construed to prohibit the Port from establishing and assessing a fee or charge for the privilege of entry upon the Airport when such fee or charge is levied upon all users of the Airport, nor be construed to prohibit the Port from assessing a fee or charge on the Operator's employees for parking their personal vehicles in the employee parking areas and on persons conducting business on the Airport.

12.5 Improvements. Operator shall make no alterations or improvements, and shall post no signs, on the Premises or elsewhere at the Airport, except with the prior written approval of the Director or the Designee, which approval may be denied or conditioned as the Port may determine in its sole discretion. Operator may, at no cost to the Port, and subject to subsequent prompt removal, at Operator's expense, at the request of the Port at any time, provide such movable furniture and other trade fixtures, as Operator deems appropriate. Operator agrees that it will not depreciate for tax purposes any alterations or improvements made by it at the Airport.

12.6 Office Equipment and Property. The Port shall provide the Operator with, or at Port's option reimburse Operator for its actual and reasonable out-of-pocket cost of obtaining, certain office furniture, an office safe and computers and printers for Operator's use in providing the Services from the Premises during the Operating Term (the "Office Equipment"). If the Services are increased to a level that Port and Operator agree requires the Premises to be expanded, then Port shall provide, or at its option, reimburse Operator for its actual out-of-pocket cost of obtaining, the Office Equipment in the expanded Premises. The Office Equipment shall remain the property of the Port. Any additional office equipment acquired by the Operator shall be at the sole expense and responsibility of the Operator. Operator shall provide all maintenance and repair of all Office Equipment provided by the Port to keep the Office Equipment in good repair. The Port shall reimburse Operator only for Operator's actual out-of-pocket cost of such maintenance or repair, as evidenced by original invoices marked paid by the vendor and such other documents as the Director or the Designee may reasonably request, except for repairs required to repair damage resulting from the negligence or willful misconduct of Operator, its officers, agents, employees, contractors or invitees, in which case the cost of such repairs shall be borne by Operator. If Operator has satisfied its obligations in this subsection and the Office Equipment reaches the end of its useful life, as reasonably determined by the Port, then it will be replaced by the Port, at its expense, or at the written direction of the Director or the Designee, by the Operator, with reimbursement to the Operator by the Port. Operator shall provide the Port at the end of each calendar quarter with a comprehensive inventory of all Office Equipment and

other property of the Port in Operator's possession, and of all property of Operator used by it in providing the Services.

12.7 Surrender of the Premises. Upon expiration or termination of this Agreement, the Operator shall vacate the Premises. Operator shall thereupon deliver to the Port the Premises, all Office Equipment, and all other office facilities and equipment belonging to Port, and, to the extent of Operator's obligations, as set forth in this Section 12 and in Section 13.2 below, assure that they are in good working condition in all respects, reasonable wear and tear excepted, or Operator shall pay to the Port such sums as necessary for the repair of the Office Equipment and any such office facilities and equipment, and to restore the Premises to its original condition, normal wear and tear excepted. If, at the expiration or earlier termination of the Agreement, the Operator retains ownership of any operating equipment, movable furniture and other trade fixtures used at the Premises and provided at Operator's expense (and not reimbursed by Port), the Operator shall remove any such property; provided that, upon removal of any such operating equipment, movable furniture and other trade fixtures, the Operator shall restore the Premises to the original condition, normal wear and tear excepted. The Operator shall be deemed to have abandoned to the Port any operating equipment, furniture and other trade fixtures which it has failed to remove within fifteen (15) calendar days after the expiration or termination of this Agreement, unless the Director or the Designee shall grant additional time for this purpose in writing; provided, however, the Port, at its sole option, shall have the right to remove and store same and restore the area to satisfactory condition and hold the Operator liable for all costs incident to such removal, storage and restoration. In the event the Port removes such operating equipment, furniture and other trade fixture, the Port shall not sustain, be charged with, or incur any liability by reason of any damage to same or for such removal or custodial care.

12.8 Inspection. The Port and its Airport staff, including but not limited to administrative staff, facilities staff, custodial staff, Airport authorized persons, and the Port's agents, retain the right at the Port's sole discretion to enter the Premises for the examination and inspection of the area from time to time with reference to any emergency, or to the general maintenance of said area, or for the purposes of surveying or viewing the area for anticipated alterations or improvements, or any other purpose deemed necessary by the Port.

13. EQUIPMENT.

13.1 Operating And Maintenance of Equipment. Except as otherwise provided in Section 12.6 above, and in this Section 13.1, Operator shall provide and maintain, at its own expense, subject to any applicable reimbursement in accordance with Exhibit D, all office equipment, motor vehicles, and other supplies and equipment required for Operator to perform its duties and obligations under the Agreement (the "Equipment"). Upon the expiration or earlier termination of this Agreement, Operator shall return all Port provided Equipment to the Port, with any repairs that Operator is required to make pursuant to this Section 13 completed in a manner that is acceptable to Port.

a) Vehicles. Operator shall provide and maintain, at its expense and in good working condition, a minimum of three service vehicles approved by the Port, equipped with a two-way radio and a roof-mount light bar to be operated by the Operator's

employees. Said vehicles shall be, and at all times remain, the property of the Operator and shall be used solely for the Services. Additionally, each of said vehicles shall possess identical color schemes and markings; the company name in a minimum 4" type style and size; and a company identification number and Airport issued electrical identification device, so as to be readily identifiable as belonging to the Operator. Each vehicle shall be properly maintained by Operator and shall have no visible body damage at any time.

b) Revenue Control Equipment. Port shall provide a functional parking revenue control system which shall be installed at each vehicle entry and exit plaza serving the public parking lots included in the Parking Facilities. Such equipment shall remain the property of the Port. Subject to the provisions of Section 13.2 below, the Port may, or may cause a third party selected by Port, to properly maintain such equipment at the Port's expense; or may request Operator to perform Level 1 and Level 2 maintenance of the Parking Revenue Control System (PARCS), as defined in Exhibit A. Port shall be responsible for losses due solely to non-functioning or malfunctioning PARCS equipment provided by Port; unless Operator is responsible for Level 1 and Level 2 maintenance and fails to maintain the equipment according to specifications described in Exhibit A, or PARCS failure incidents that result in a loss of Port revenue are attributable to Operator negligence. Operator shall be responsible for and shall pay to Port upon Port's written demand amounts equal to any losses of Parking Revenue due to Operator's failure to report to Port, in the manner described in Section 13.1(g) below, within one (1) hour any non-functioning or malfunctioning of the revenue control equipment.

c) Emergency Call Boxes. Port shall provide emergency call boxes, which may be installed at various locations throughout the Parking Facilities. Such equipment shall remain the property of the Port. Subject to the provisions of Section 13.2 below, the Port shall, or shall cause a third party selected by Port, to properly maintain such equipment at the Port's expense. Except as otherwise provided in this Agreement, Operator's obligations for providing security services shall be limited to the obligations stated in this Section 13.1(c).

d) Two-Way Radios. Port shall provide Operator with, or at Port's option, reimburse Operator for its actual and reasonable out-of-pocket cost of obtaining two-way radios to establish essential links between the Operator's employees, and to minimize the time required to react to and correct any service interruption due to traffic, breakdowns, emergencies or any other reasons. The number of radio sets to be obtained by Operator shall be pre-approved in writing by the Port. Such equipment shall remain the property of the Port. Subject to the provisions of Section 13.2 below, the Port shall, or shall cause a third party selected by Port, to properly maintain such equipment at the Port's expense.

e) Golf Cart-Type (Electric) Vehicles. The Port shall provide Operator with up to three (3) electric vehicles for use in providing the Services. Such vehicles shall remain the property of the Port, and shall be insured by the Port against collision or comprehensive damage or loss at Port's expense. Subject to the provisions of Section 13.2 below, the Port shall, or shall cause a third party selected by Port, to properly

maintain such vehicle at the Port's expense. Operator shall immediately report to the Port any such vehicle provided by the Port which Operator knows or reasonably should know is in need of service, repair or replacement, and Operator shall upon request of Port deliver such vehicle or vehicles to the location identified by Port for maintenance and repair.

f) Operator's Reporting Obligations. Operator shall immediately report to Port any Equipment or vehicle provided by Port that Operator knows or reasonably should know is in need of service, repair or replacement, or any Port facility or dangerous condition that Operator knows or reasonably should know is in need of maintenance or repair, and such report shall be made to the Airport Parking Superintendent during business hours of 8:30 A.M. to 5:00 P.M. Mondays through Fridays (except on Port-observed holidays) and to the Port's Airport Operations 24-hour telephone number at times on Mondays through Fridays other than during the business hours described above and at any time on weekends or on Port-observed holidays.

13.2 Extraordinary Damage and Repair. Operator shall at its expense, repair any damage or replace any Equipment provided by the Port resulting from the negligence or willful misconduct of Operator, its officers, agents, employees, contractors invitees. If Operator fails to repair or replace such Equipment within a reasonable time, as specified by the Director or the Designee, the Port may repair or replace such Equipment at the Operator's expense and shall bill all costs of repair or replacement, along with any applicable Administrative Fees, to Operator. If Operator fulfills its obligations in this Section 13.2 and any such Equipment reaches the end of its useful life, as reasonably determined by the Port, then such Equipment will be replaced by the Port, at its expense, or at the written direction of the Director or the Designee, by the Operator, with reimbursement to the Operator by the Port.

14. LIMITATIONS ON OPERATOR ACTIVITIES.

14.1 Limitations on Uses. Operator agrees to use the Premises and shall enter and exit the Parking Facilities and the Airport only for the purposes of providing the Services, performing its obligations hereunder, and the construction, installation, use and maintenance of Operator's improvements in or on the Premises, subject to the Director's or the Designee's prior written approval of such construction or installation.

a) Operator shall not do or (except to the extent otherwise provided in Exhibit V) permit anything to be done in, on or about the Premises, the Parking Facilities, or any part of the Airport, nor bring or keep or (except to the extent otherwise provided in Exhibit V) permit to be brought or kept thereon, anything which is prohibited by or will in any way conflict with any applicable Laws, or which is prohibited by a standard form of fire insurance policy or which will in any way increase or affect the then-existing rate of any fire or other insurance carried by the Port or required to be carried by the Operator under this Agreement, or which will cause a cancellation of any insurance policy covering the Airport, the Parking Facilities or the Premises and any part thereof or any of their contents.

b) Operator shall not commit, cause, maintain, or (except to the extent otherwise provided in Exhibit V) permit or allow to be committed, caused, maintained, or (except to the extent otherwise provided in Exhibit V) permitted, any Toxic Material (as defined in Section 14.2 below) upon the Premises, the Parking Facilities or any part of the Airport, any public or private nuisance, or any other act or thing which may disturb the quiet enjoyment of any tenant, licensee, invitee or person using or occupying any portion of the Airport.

c) Neither Operator nor its agents, employees, or officers shall install, maintain, operate, or permit the installation, maintenance, or operation in, on or about the Premises, the Parking Facilities or any part of the Airport, any vending machine or device designed to dispense or sell foods, beverages, tobacco products or merchandise of any kind to the general public. Such prohibition shall not apply to the vending machines currently installed inside the Premises, or to other vending machines or devices designed to dispense or sell such merchandise to Operator's employees, provided such machines or devices are located within the Premises and approved in advance in writing by the Director or the Designee. No such vending machines or other such devices may be located outside of the Premises.

d) Operator shall not install, erect, affix, paint or place or permit the installation, erection, affixation, painting or placement of any sign or lettering in, on, or about the Airport, the Parking Facilities or the Premises, or any portion thereof, except as otherwise provided herein.

e) Operator shall not make any improvements or alterations to the Airport, the Parking Facilities or the Premises without the prior written consent of the Director or the Designee.

f) Operator agrees to conduct its operations upon the Parking Facilities, the Premises or any part to the Airport so as to reduce to the minimum that is reasonably practicable, the emanation therefrom of fumes and odors.

g) Operator agrees to handle and dispose of its trash, garbage and refuse in a sanitary manner and not to store or maintain any boxes, cartons, barrels, trash, debris or refuse in or about the Parking Facilities, Premises or any part of the Airport where they will be an eyesore to the public, as reasonably determined by the Director or the Designee. If the Director or the Designee makes such determination, then at the request of the Director or the Designee, the Operator shall promptly remove such boxes, cartons, barrels, trash, debris or refuse from the Airport, or store same in a location approved by the Director or the Designee in the exercise of his or her sole discretion. Operator shall provide its own facilities within the Premises for the cleaning of garbage cans.

h) Operator and its employees shall not engage in the sale of any product or service, the solicitation of such sale, or the distribution of any literature or goods of any type, at the Airport, except as expressly authorized by written permission signed by the Director or the Designee.

14.2 Environmental Responsibilities. Operator shall comply with Exhibit V, (Environmental Responsibilities), which shall survive the expiration or earlier termination of this Agreement and which is attached hereto and incorporated in this Agreement.

15. INSURANCE. Operator shall comply with Exhibits M, entitled INSURANCE REQUIREMENTS, which is attached to and made a part of the Agreement.

16. WORKERS' COMPENSATION INSURANCE; PAYROLL TAXES. Operator shall provide its services hereunder as an independent contractor. Nothing contained herein is intended or shall be construed to make the Port and the Operator partners, joint venturers or joint employers, and employees of Operator shall not be considered agents or employees of the Port. Operator shall have the sole responsibility for paying the salaries, payroll taxes, contributions for unemployment insurance, and all other expenses relating to each employee of Operator.

16.1 Workers' Compensation Insurance. Operator shall provide workers' compensation insurance as required by the laws of the State of California and in accordance with Exhibit N, entitled WORKERS' COMPENSATION; PAYROLL TAX REIMBURSEMENT, which is attached to and made part of this Agreement, with reimbursement for premiums for workers' compensation to be made as provided in Exhibit D and Exhibit N, subject to the limitations set forth in this Agreement.

16.2 Payroll Taxes Reimbursement. Reimbursement for the costs of payroll taxes shall be paid in accordance with Exhibits D and N, subject to the limitations set forth in this Agreement.

17. CRIME INSURANCE AND BONDS.

17.1 Crime Insurance. Operator shall, prior to the Commencement Date, obtain and thereafter maintain during the Operating Term at its own expense, a crime insurance policy as described in Exhibit M, covering all of Operator's employees and agents in an amount not less than Five Hundred Thousand Dollars (\$500,000), with a deductible not to exceed Twenty Five Thousand Dollars (\$25,000) for each loss, payment of which shall be the obligation of the Operator. Such bonds shall name Port as the loss payee.

17.2 Performance Bond. The Operator shall, prior to the Commencement Date, execute and deliver to the Port a Performance Bond, from a surety acceptable to the Port Attorney, substantially in the form attached to this Agreement as Exhibit O, in the penal sums of Six Hundred Thousand Dollars (\$600,000), and shall maintain such Performance Bond in effect during the Operating Term of this Agreement and for six (6) calendar months after the expiration or earlier termination of the Operating Term of this Agreement. The Performance Bond is intended to guarantee full performance by Operator of all of the Services, and of all other obligations by Operator in accordance with all terms and conditions of this Agreement. The Performance Bonds shall be subject to forfeiture in whole or in part in the event of failure of the Operator to fully perform under the Agreement, and in the event that the Port sustains any claims, debts, loss of service, loss of revenues or other costs or expenses as a result of such failure of the Operator to fully perform under the Agreement.

17.3 Additional Purposes of the Performance Bond. The Operator acknowledges that each Performance Bond includes a general obligation to pay all claims or debts the Port incurs in connection with the Operator's performance of the Services and its other obligations under this Agreement.

18. ASSUMPTION OF RISKS; INDEMNIFICATION. Operator agrees to voluntarily assume any and all risk of loss, damage, or injury to the person or property of Operator, its officers, agents, employees, contractors and invitees, which may occur in, on or about the Premises, the Parking Facilities or the Airport at any time and in any manner, except to the extent such loss, injury, or damage is caused by the gross negligence or willful misconduct of Port, its agents, operators, employees, and officers.

18.1 Indemnification. Operator agrees to indemnify, defend and hold completely harmless Port (including, without limitation, members of Port's Board of Commissioners, and Port's agents, employees, representatives, contractors, directors and officers), from and against all liabilities, suits, claims, demands, judgments, damages, fines, penalties, costs and expenses (including all costs for investigation and defense thereof, including, but not limited to, court costs, expert fees and paralegal and attorneys' fees (including in-house paralegal and attorneys' fees) prior to institution of legal proceedings and at both trial and appellate levels, and in any mediation or arbitration agreed to by Port), which may be incurred by, charged to or recovered from any of the foregoing indemnified parties (i) by reason or on account of damage to or destruction of any property of Port (except as otherwise expressly provided by this Agreement), or any property of, injury to or death of any person resulting from or arising out of Operator's performance of the Services or its use, occupancy, maintenance or repair of the Premises or any improvements thereto, or Operator's operations anywhere on the Airport, or the acts or omissions of Operator's officers, agents, employees, contractors, subcontractors, subtenants, invitees, vendors, suppliers or licensees, regardless of where the damage, destruction, injury or death occurred, unless such liability, suit, claim, demand, judgment, damage, fine, penalty, cost or expense was solely caused by Port's gross negligence or willful misconduct, or (ii) arising out of any allegation that Operator, or the Port in concert with Operator, has infringed on or violated any Federal, state, or common law patent, trademark, copyright, or trade secret rights, or violated any Federal or state labor laws, or any Federal or state laws governing consumer credit, credit cards, or the sale of abandoned property, or (iii) resulting from or arising out of the failure of Operator to keep, observe or perform any of the covenants or agreements in this Agreement to be kept, observed or performed by Operator. In carrying out its obligations hereunder, Operator shall use counsel acceptable to Port Attorney.

The foregoing provisions of this Section 18.1 are not intended and shall not be construed to limit in any manner whatsoever the protection or benefits to which Port otherwise would be entitled as an additional insured under any liability insurance maintained or required to be maintained by Operator under this Agreement.

The provisions of this Section 18.1 shall survive the expiration or earlier termination of the Operating Term with respect to any acts or omissions occurring during the Operating Term.

18.2 Waiver By Port. The waiver by Port of any breach of any provision of this Agreement shall not be deemed for any purpose to be a waiver of any other provision hereof, nor of any continuing or any subsequent breach of the same or any other provision, nor shall any custom or practice which may arise between the parties in the administration of any of the provisions of this Agreement be construed to waive or to lessen the right of Port to insist upon the performance by Operator in strict accordance with the provisions of this Agreement.

18.3 Waiver By Operator. As a material part of the consideration to be received by Operator from Port under this Agreement, Operator waives any and all claims or causes of action against Port, the Port's Commissioners and the Port's agents, employees, representatives, contractors, directors and officers which Operator may now or hereafter have at any time for damage to Operator's personal property located in, on or about the Premises, the Parking Facilities or the Airport, and for injury to or death of any person occurring in, on or about the Premises, the Parking Facilities or the Airport from any cause arising at any time, except to the extent that such damage, injury or death is directly caused solely by the gross negligence or willful misconduct of the Port, its agents, operators, employees or officers.

19. RESERVED.

20. EQUAL OPPORTUNITY; NONDISCRIMINATION. During the Operating Term, the Operator, for itself, and its authorized assignees and successors in interest, agrees as follows:

(1) Compliance with Regulations.

a) The Operator shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the United States 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 Agreement.

b) Nondiscrimination. The Operator, with regard to the work performed by it during the Agreement, shall not discriminate on the grounds of race, color, sex (including gender identity), religion, actual or perceived sexual orientation, national origin, age, medical condition, genetic information, marital status, physical and mental disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Operator shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the Agreement covers a program set forth in Appendix A of the Regulations.

c) Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the Operator 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 Operator of the Operator's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

d) Information and Reports. The Operator 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 Port or the Federal Aviation Administration ("FAA") to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a Operator is in the exclusive possession of another who fails or refuses to furnish this information, the Operator shall so certify to the Port or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

(2) The Operator for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Premises for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the Operator shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to the Regulations.

(3) The Operator for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (i) no person on the grounds of any basis prohibited by state or federal law shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (ii) that in the construction of any improvements on, over, or under such Premises and the furnishing of services thereon, no person on the grounds of any basis prohibited by state or federal law shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (iii) that the Operator shall use the Premises in compliance with all other requirements imposed by or pursuant to the Regulations.

(4) The Operator 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 any basis prohibited by state or federal law be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision binds the Operator during the Operating Term of this Agreement.

(5) In furtherance of the Port's long-standing policy to insure that equal employment opportunity is achieved and nondiscrimination is guaranteed in all Port-related activities, it is expressly understood and agreed with respect to Operator's activities upon the Airport:

(a) That Operator shall not discriminate against any employee or applicant for employment because of any basis prohibited by state or federal law. Operator shall take affirmative action to ensure that applicants and employees are treated fairly. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Operator agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Port's Equal Opportunity Officer setting forth the provisions of this paragraph.

(b) That Operator shall, in all solicitations or advertisements for employees placed by or on behalf of Operator, state that all qualified applicants will receive consideration for employment without regard to any basis prohibited by state or federal law.

(c) That Operator will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Port's Equal Opportunity Officer, advising the labor union or workers' representative of the Operator's commitments under this paragraph, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) That Operator shall not discriminate by segregation or otherwise against any person or persons on any basis prohibited by state or federal law in furnishing, or by refusing to furnish, to such person or persons the use of any public facility upon the demised premises, including any and all services, privileges, accommodations, and activities provided thereby.

(e) That Operator shall maintain work force records showing male, female and minority employees by job category and similar information with respect to new hires and shall permit the Port's Equal Employment Opportunity Officer to inspect such records at all reasonable times and not less than annually and shall submit a summary of such information annually on a form provided by the Port.

(f) That if Operator has fifteen (15) or more employees, Operator shall within ninety (90) days of the effective date of this Agreement provide the Director or the Designee with a copy of its affirmative action program, if any, as may be required by an appropriate federal or state agency, by the Port pursuant to any federal or state requirements, or as a result of a court ordered consent decree. Thereafter any change(s) in the Operator's affirmative action program shall be forwarded to the Port within thirty (30) days of its adoption. Such submissions shall be accorded the same level of confidentiality as provided for by the state or federal regulations or court order under which it was originally submitted.

(g) The Port shall assist Operator in preparing the required affirmative action program to secure equal employment opportunities, whenever such assistance would be beneficial, and shall be available to advise and counsel Operator in the implementation of Operator's Affirmative Action Program.

(h) That Operator's noncompliance with the provision of this clause shall constitute a material breach of this Agreement. In the event of a breach of any of the above-stated nondiscrimination and affirmative action covenants, the Port shall have the right to consider but not be limited to the following:

(i) Terminate this Agreement and to re-enter and possess the Premises, and to hold the same as if this Agreement had never been made without liability therefor; or

(ii) Seek judicial enforcement of said covenants.

(6) Should the Operator authorize another person, with Port's prior written consent, to provide services or benefits from the Premises or at the Airport, Operator shall obtain from such person a written agreement pursuant to which such person shall, with respect to the services or benefits which it is authorized to provide, undertake for itself the obligations contained in this Section 20. Operator shall furnish the original or a true copy of such agreement to Port. Port may from time to time be required by the United States Government, or one or more of its agencies, to adopt additional or amended provisions, including non-discrimination provisions, concerning the use and operation of the Airport, and Operator agrees that it will adopt any such requirement as a part of this Agreement.

(7) If Operator shall furnish any services to the public at the Airport, it shall furnish said services on a fair, equal and not unjustly discriminatory basis to all users thereof and shall charge fair, reasonable and not unjustly discriminatory prices for each unit of service, provided that Operator shall be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers, if any.

21. NON-DISCRIMINATION IN SUBCONTRACTING WITH VENDORS AND/OR SUPPLIERS.

Operator agrees that it shall not discriminate against any professional service, contractor or vendor because of race, color, religion, sex (including gender identity), actual or perceived sexual orientation, national origin, age, medical condition, genetic information, marital status, physical and mental disability (as set forth in the Americans with Disabilities Act of 1990) or veterans status; and that the Operator shall, in all solicitations or advertisements placed by or on behalf of Operator, for vendors, contractors or professional services, state that all qualified bidders will receive consideration on merit, without regard to race, color, religion, sex (including gender identity), actual or perceived sexual orientation, national origin, age, medical condition, genetic information, marital status, physical and mental disability (as set forth in the Americans with Disabilities Act of 1990) or veteran status.

The Port's Social Responsibility Division will assist Operator in finding diverse professional services, contractors and vendors.

21.1 AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE PROGRAM (ACDBE). This Agreement is subject to the requirements of the US Department of Transportation's Regulations 49 CFR Part 23. The Operator agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23.

The Operator agrees to the following provisions:

a) Operator has advised the Port that it will use the ACDBEs listed on attached Exhibit S in providing the Services described thereon. Operator agrees that within 30 days after the expiration of each calendar quarter during the Operating Term, it will provide a report to the Port, in a form acceptable to the Port, describing the gross

receipts of each such ACDBE described on attached Exhibit S (and each substitute ACDBE obtained pursuant to paragraph (c) below), calculated in accordance with the requirements of 49 CFR Part 23.

b) The Operator agrees that it will also submit within the same period described in (a) above a report to the Port, in a form acceptable to the Port, describing the Operator's total gross receipts under this Agreement through the end of the calendar quarter covered by the report.

c) The Operator will have no right to terminate an ACDBE for convenience without the Port's prior written consent. If an ACDBE is terminated by the Operator with the Port's consent or because of the ACDBE's default, then the Operator must make a good faith effort, in accordance with the requirements of 49 CFR Part 23.25 (e)1(iii) and (iv), and 49 CFR Part 26.53, to find another ACDBE to substitute for the original ACDBE to perform the same estimated gross receipts under this Agreement as the ACDBE that was terminated.

d) If the Operator is a joint venture, it will satisfy all of its obligations under Section 35.13 below, and will comply with the provisions of any rules or regulations hereafter promulgated by the United States Department of Transportation or the Federal Aviation Administration that are applicable to joint ventures.

The Operator's breach of its obligations under (a), (b) or (c) above shall be a Default by Operator under Section 24.1 (Default and Remedies) below and shall entitle the Port to exercise all of its contractual and legal remedies, including termination of this Agreement.

22. REPRESENTATIONS, WARRANTIES AND COVENANTS. Operator represents, warrants and covenants with respect to this Agreement and any amendment hereto (which representations and warranties shall be continuing during the Operating Term):

a) That all information submitted by Operator, its officers, agents, employees and contractors (the "Aforementioned Parties") during the Port's RFP process, or thereafter, upon request of Port, whether or not submitted by any of the Aforementioned Parties under a continuing obligation by the terms of this Agreement to do so, was true and correct at the time such information was submitted or made available to Port;

b) That none of the Aforementioned Parties has colluded, conspired, or agreed, directly or indirectly, with any person in regard to the terms and conditions of Operator's response to the and Port's RFP;

c) That Operator has the power and authority to enter into this Agreement with the Port and that the individual executing this Agreement is duly authorized to do so;

d) That none of the Aforementioned Parties has made an attempt to exert undue influence with the evaluation committee of the Port to award the Agreement for the Services to the Operator;

e) That there are no unresolved claims or disputes between Operator and Port; and

f) That Operator has furnished (and will furnish) true and accurate financial statements, records, reports, resolutions, certifications, and other information as may be requested of Operator by Port from time to time during the Operating Term.

23. TERMINATION.

23.1 Termination by Port. Port may terminate this Agreement immediately upon notice upon the happening of an Event of Default (as hereinafter defined), and such a termination shall be deemed a termination “for cause.” In addition, the Port may terminate this Agreement without cause during any Extension Term upon giving thirty (30) days’ prior written notice to Operator.

23.2 Termination by Operator. Operator may terminate this Agreement during any Extension Term by giving to the Port at least one hundred eighty (180) day’s prior written notice of termination.

23.3 Effect of Termination. At the termination date, the Operator shall immediately quit the assigned Premises and return the Office Equipment, any other Equipment provided by the Port, and any equipment purchased with Port funds or for which Operator has been reimbursed under this Agreement, to the Port in the condition required by this Agreement. If the Port elects to terminate this Agreement for cause, everything contained in this Agreement on the part of the Port to be done and performed shall cease without prejudice, subject, however, to the right of the Port to recover from the Operator all monetary damages or other relief that may be available to the Port arising out of any breach of this Agreement by Operator. Within sixty (60) days after the termination of this Agreement, the Port shall be obligated, subject to its set-off rights provided for in this Agreement, to pay all amounts owed to Operator under this Agreement to the termination date; provided, however, that the Port shall not be obligated to reimburse the Operator for Reimbursable Expenses if receipts for such expenses, in the form required by this Agreement, have not been received by Port within sixty (60) days after the termination date. If either party elects to terminate this Agreement as provided for herein based on the other party’s material breach of this Agreement, the non-breaching party shall be entitled to damages as permitted by law or under this Agreement.

23.4 Removal from Premises. Upon expiration or termination of this Agreement, the Port may immediately or any time thereafter, re-enter the Premises and remove the Operator, Operator’s employees, agents, subcontractors, invitees and property from the Premises. The Port shall be entitled to the benefits of all provisions of law respecting speedy recovery of the Premises held over by the Operator. Any other notice to quit or other notice to permit Port to re-enter the Premises is hereby expressly waived by the Operator. The Port shall not be liable in any way in connection with any action it takes pursuant to this subsection. The Operator’s liability shall survive the Port’s re-entry, the institution of summary proceedings, and the issuance of any warrants with respect thereto.

24. DEFAULT, AND REMEDIES.

24.1 Events of Default. The occurrence of any of the following shall constitute an “Event of Default” or “Default” by Operator:

a) The failure to provide, voluntary abandonment, discontinuation, cessation or material deterioration of the Services during the Operating Term which, in the opinion of the Director or the Designee, results in the failure to provide Services of the duration, quality or standards required to be performed by the Operator under this Agreement, which failure is not cured within five (5) days after Port’s written demand; provided, however, that if Operator has received three (3) notices under this subparagraph within a period of 180 days, commencing on the date of Operator’s receipt of the first such notice, then Operator shall have no right to correct a failure described in any subsequent notice given by Port to Operator under this subparagraph within such 180 day period, even if all of the prior failures were corrected by Operator within the five (5) day cure period.

b) Failure by the Operator to make any payment required to be made under this Agreement when due and the continuation of such failure for a period of five (5) days after the due date.

c) Failure by the Operator to timely make any deposit required to be made under this Agreement and the continuation of such failure for a period of twenty-four (24) hours.

d) The filing by the Operator of a voluntary petition in bankruptcy, or failure by the Operator to lift any execution, garnishment or attachment, or to obtain the dismissal of a bankruptcy proceeding commenced involuntarily against the Operator within thirty (30) days after filing thereof or assignment by the Operator for the benefit of creditors, or the entry by the Operator into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Operator in any proceeding instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar acts which may hereafter be enacted.

e) The occurrence of any act which results in the suspension or revocation of the rights, powers, licenses, permits and authorities necessary for Operator to conduct and operate the Services.

f) Receipt of more than ten (10) complaints within any twelve (12) month period concerning major service deficiencies in the Services, with the determination of a complaint being deemed a “major service deficiency” being in the sole discretion of the Port. Operator shall have the right to contest any complaint by providing to Port within five (5) days after being notified of the complaint such evidence as Operator may have to demonstrate that the complaint was not justified. The determination of whether a complaint was justified shall be in the sole discretion of the Port.

g) The filing of any lien or sequestration or attachment of or execution or other levy on Operator's interest in this Agreement, the Premises, the Parking Facilities, or on Operator's equipment, if any, located on the Airport and Operator fails to obtain a release of such interest or property within thirty (30) days after the filing or attachment, or prior to sale pursuant to such levy, whichever first occurs.

h) The Director's or the Designee's determination that there is a reasonable probability that Operator's financial condition is impaired and Operator cannot provide adequate assurances that any conditions giving rise to the impairment of financial condition can be removed within thirty (30) days of receipt of Port's demand for same.

i) Failure to obtain and maintain in effect any of the insurance referenced in Sections 15 or 16 or any of the bonds required under Section 17.

j) If any of the representations or warranties contained in Section 22 are untrue in any material respect, or if Operator breaches any of its covenants contained in Section 22.

k) Any transfer or assignment of this Agreement other than in compliance with Section 26.

l) Breach of or failure to comply with Operator's obligations contained in Section 25.1, Section 30 or Section 35.1.

m) Any breach or failure described as an Event of Default or Default by any provision of this Agreement other than this Section 24.1.

n) Failure by the Operator to observe or perform any covenant, condition or agreement on its part to be observed or performed under this Agreement, other than those specifically referred to above in this subsection 24.1, for a period of fifteen (15) calendar days after written notice specifying such failure and requesting that it be remedied has been given to the Operator by the Port; provided, however, such failure shall not constitute an Event of Default hereunder if such failure stated in the notice can be corrected, but not within the applicable period, and corrective action is instituted by the Operator within the applicable period and diligently pursued until such failure is corrected, provided that if the cure period is longer than thirty (30) calendar days after the date of such written notice, the Operator shall obtain the prior written consent of the Port.

24.2 Remedies For Default. Upon the occurrence of an Event of Default, Port shall have the following rights and remedies, in addition to all other rights and remedies provided in this Agreement or by law, to which Port may resort cumulatively or in the alternative, and Port may assert them against the Operator and/or any general partner or joint venture partner, jointly and severally:

a) The Port may enter into a new agreement with another operator that will occupy the Premises for all or any part of the unexpired portion of the Operating Term of this Agreement in which event Operator shall be liable in addition to accrued liability

hereunder, for the difference between the payments the Port is obligated to pay the new operator and the payments the Port would have been obligated to pay the Operator under this Agreement for the unexpired portion of the Operating Term (not to exceed six months). The Port has the sole and absolute discretion with respect to the selection of a new operator and the use of the Premises.

b) In the Event of Default under this Agreement, the Port may, after providing written notice to the Operator of the Event of Default, cure the default at any time through any action deemed appropriate by the Port for the account and at the expense of the Operator. The Operator shall reimburse the Port for any amounts expended by the Port in connection with the cure, together with interest thereon for each day from the date of advance by Port until paid by Operator at the rate of twenty-five one thousands of one percent (.025%), but not to exceed the maximum rate of interest permitted by law, and any penalties thereon as may be established by Port ordinance. Such cure shall not constitute a waiver of the Port's rights with respect to that or any other Event of Default, unless otherwise expressly stated in writing by the Port.

c) The Operator shall pay the Port such sums as the court which has jurisdiction thereover may adjudge as reasonable attorney's fees with respect to any lawsuit or action instituted by the Port to enforce the provisions of the Agreement in which the Port is the substantially prevailing party.

d) The Port shall not be liable for any damage, including, but not limited to, loss of profit and the Operator shall not make a claim of any kind whatsoever against the Port, its agents or representatives, by reason of any action taken pursuant to this Section 24.

At Port's election, Port may keep this Agreement in effect and enforce all of its right and remedies under this Agreement, including the right to withhold compensation and other fees as they become due, and at Port's option, but without any obligation to do so (implied from any of its obligation under this Agreement), Port may, after first giving Operator written notice as provided in Section 24.2(b) above, make such payment or perform such other act to the extent Port may deem appropriate. All sums so paid by Port and all costs in connection therewith shall be due and payable by Operator to Port (except where otherwise expressly provided in this Agreement) within ten (10) days of Port's written demand for payment of same, together with interest and penalties thereon from date of advance by Port at the rate provided in Section 24.2(b) above, plus costs as may be awarded by a court of competent jurisdiction.

Port shall not be liable to Operator for any damage to, or for any diminution or deprivation of Operator's rights hereunder on account of the exercise of any authority granted to Port in this Agreement. Operator shall be liable to the Port for the Port's expense for re-entering or repossessing the Premises, and making any necessary repairs to the Premises, for all of the expenses to obtain a new operator and for the costs of operating or engaging a third party to operate the Services for the unexpired portion of the Operating Term (not to exceed twelve months) to the extent such costs exceed the expenses that would have been paid had the Operator not defaulted.

24.3 Act of Termination. In the event Operator ceases to provide the Services at the Airport, this Agreement shall not terminate, unless Port gives Operator written notice of its election to terminate this Agreement. No act by or on behalf of Port intended to mitigate the adverse effect of such breach shall constitute a termination of Operator's obligation to render Services hereunder and use the Premises, unless Port gives Operator written notice of termination.

25. COMPLIANCE WITH LAWS, RULES, POLICIES AND REGULATIONS.

25.1 Agreement to Comply. Operator covenants and agrees to observe and comply with (and to cause any assignee or subcontractor authorized under Section 26 below to comply with) all present and future Laws (as hereafter defined), subject to the limitations in the last sentence of Section 12.1 above, and all rules, regulations and policies of Port, including without limitation, all safety, security and operations directives of the Director or the Designee, which now exist or may hereafter be promulgated from time to time governing conduct on and operations at the Airport or the use of facilities at the Airport (hereafter collectively the "Airport Rules, Policies and Regulations"). The Port shall not have any duty or obligation to Operator to enforce the Airport Rules, Policies and Regulations or the terms and conditions in any permit, lease or other agreement against any third party, and the Port shall not be liable to Operator for violations of same by third parties, their employees, contractors, agents, invitees or licensees. Operator further covenants and agrees to observe and comply with (and to cause all of its assignees or subcontractors authorized under Section 26 below to comply with) any and all valid and applicable requirements of all duly-constituted public authorities (including, without limitation, the Department of Transportation, the Department of Homeland Security, the Federal Aviation Administration, and the Transportation Security Administration). Operator agrees to pay or reimburse Port for any civil penalties or fines which may be assessed against Port as a result of the violation by Operator or any such assignee or subcontractor of any of the foregoing requirements, which payment shall be made by Operator within fifteen (15) days from receipt of Port's invoice for such amount and documentation showing that payment of such penalty or fine is Operator's responsibility hereunder. Operator shall not be obligated to make a payment to Port under this Section 25.1 if such payment would duplicate a payment for the same violation that has already been made by Operator to the Port under Section 35.1(a) below.

As used in this Agreement, "**Laws**" shall mean all present and future federal, state and local statutes, ordinances and regulations and Port ordinances applicable to Operator, the Premises, the Services or the Airport and judicial interpretations thereof, including but not limited to the Americans with Disabilities Act of 1990, all acts and regulations relating in any way to worker's compensation, sales and use tax, credit card processing, social security, unemployment insurance, hours of labor, wages, working conditions, the Immigration Reform and Control Act of 1986, the Charter of the City (including without limitation Section 728 entitled "Living Wage and Labor Standards at Port-Assisted Businesses"), all Environmental Laws (as defined in Section 14.2(b), and the Airport Rules, Policies and Regulations (as defined in this Section 25.1).

26. TRANSFER AND ASSIGNMENT.

26.1 No Assignment. Operator shall not sell, assign or transfer this Agreement or any of its rights and obligations hereunder or permit any such sale, assignment or transfer to occur by operation of law, or (except as provided in Section 26.3 below) subcontract for the performance of any of the Services to be provided by it hereunder, without the Port's prior written approval, which approval must be evidenced by resolution adopted by the Board of Port Commissioners and may be granted or withheld by Port in the exercise of its sole discretion and subject to payment by Operator of all administrative expenses incurred by the Port for the processing of such assignment or transfer.

26.2 Transfer of Control. For purposes of Section 26.1 above, an assignment shall include a Change in Control. A Change in Control means whether accomplished through a single transaction or a series of related or unrelated transactions and whether accomplished directly or indirectly, either (a) a change in ownership, as compared to the ownership as of the date of the Agreement, so that 50% or more of the direct or indirect voting or economic interests of the Operator is transferred to another person or group of persons, (b) the power directly or indirectly to direct or cause the direction of management, operations, controls and policy of the Operator, whether through ownership of voting securities, by contract, management agreement or common directors, officers or trustees or otherwise, is transferred to another person or group of persons, or (c) the merger, consolidation, amalgamation, business combination or sale of substantially all of the assets of the Operator.

26.3 Subcontractors. In the performance of the Services authorized under this Agreement, the Operator may, if it complies with all of its obligations contained under the subsection captioned "THIRD PARTY VENDORS" in attached Exhibit D, enter into written subcontracts with qualified and licensed operators and suppliers for the following services: (a) cleaning of Parking Facilities as specified in Exhibits A-I and A-II; (b) custodial and janitorial services; and (c) uniform cleaning; (d) vehicle towing, (e) signage fabrication/installation (subject to applicable Airport design standards and Port approval), and (f) other services as may be approved in writing at the sole discretion of the Director or the Designee. However, the Operator shall remain liable to the Port for the performance of Operator's subcontractor(s) in accordance with all of the terms and conditions of this Agreement. Operator is required to pay subcontracting invoices when due unless otherwise agreed by the Port and actual costs may be reimbursed, subject to any limitations in this Agreement and the requirements set forth in Exhibit D.

27. JOINT AND SEVERAL LIABILITY. The obligations and liabilities of the Operator and its general partners or joint venture partners under or arising under this Agreement are joint and several.

28. GOVERNING LAW. The Port and the Operator agree that the law governing this Agreement shall be that of the State of California without regard to conflicts of laws principles.

29. FEES AND TAXES. Operator agrees timely to pay all applicable fees, taxes, and other charges levied by any governmental entity upon any right or interest granted to Operator by this

Agreement or upon the exercise of any such right or interest, including the City of Oakland business licensing fees and taxes, if applicable. In the event that any provision of this Agreement causes the imposition of a possessory interest tax, Operator shall immediately notify the Director and provide a copy of all documents received by the Operator relative to such impositions. The Port agrees to pay on behalf of Operator whatever possessory interest tax may be imposed, provided, however, that the Port reserves the right to challenge the imposition of such a possessory interest tax. Operator agrees to reasonably cooperate with the Port in making necessary investigations and in preparing and presenting necessary documentary and oral evidence in connection with whatever challenge to such tax imposition the Port may deem appropriate.

30. COVENANT AGAINST CONTINGENT FEES; IMPROPER INFLUENCE. Operator warrants that no person or agent has been employed or retained to solicit or obtain the Agreement upon an agreement or understanding for a contingent fee, except a bona fide employee or agency of Operator. For breach or violation of this warranty, the Port, as its option, may deduct from the Management Fee or payment of Reimbursable Expenses or otherwise recover from Operator, the full amount of the contingent fee, or may exercise any other legal or equitable remedy available to it.

Operator warrants that neither Operator nor any person nor agent acting on Operator's behalf shall exert improper influence to solicit or obtain Port contracts. In addition Operator warrants that neither Operator nor any person nor agent acting on Operator's behalf shall exert improper influence to extend or prevent termination of this Agreement. "Improper influence", as used in this Section, means any influence that induces or tends to induce a Port Commissioner, employee or officer to give consideration or to act as an agent regarding a Port contract, including this Agreement, on any basis other than the merits of the matter.

Operator's breach of any of its obligations under this Section 30 shall constitute an Event of Default and may result in any or all of the following:

- (i) Port's immediate termination of this Agreement, and
- (ii) an assessment of an Administrative Fee as specified in Exhibit F.

"Bona fide agency," as used in this Section means an established commercial or selling agency, retained by Operator for the purpose of securing business, that neither exerts nor proposes to exert improper influence to solicit or obtain Port contracts nor holds itself out as being able to obtain any Port contract or contracts through improper influence.

"Bona fide employee," as used in this Section, means a person, employed by Operator and subject to Operator's supervision and control as to time, place, and manner of performance, who neither exerts nor proposes to exert improper influence to solicit or obtain Port contracts nor holds himself or herself out as being able to obtain any Port contract or contracts through improper influence.

“Contingent fee,” as used in this Section, means any commission, percentage, brokerage, or other fee that is contingent upon the success that a person or concern has in securing a Port contract.

“Improper influence,” as used in this Section, means any influence that induces or tends to induce a Port Commissioner, employee or officer to give consideration or to act as an agent regarding a Port contract on any basis other than the merits of the matter.

31. CONSENTS AND APPROVALS; NOTICES.

All consents or approvals provided for in this Agreement must be contained in writing signed by the party giving such consent or approval.

Written notices to the Port hereunder shall be deemed properly given when (1) personally delivered, or (2) sent by registered or certified mail, postage prepaid, and addressed to Director of Aviation, Port of Oakland, 530 Water Street, 6th Floor, Oakland, CA 94607, with copies to Port Attorney, Port Attorneys Office, 530 Water Street, 4th Floor, Oakland, CA 94607, and to Airport Business Manager, Port of Oakland, 9532 Earhart Road, Suite 101, Oakland, California 94621, or to such other address or addresses as the Port may designate by written notice to Operator.

Written notices to Operator hereunder shall be deemed properly given when (1) personally delivered, or (2) sent by registered or certified mail, postage prepaid, and addressed to the following, which Operator also designates as its agent for service of process under California Code of Civil Procedure 416.10: TBD **x**

With a copy to:

or to such other address as Operator may designate by written notice to the Port.

The giving of any such notice by the Director or the Designee shall be effective upon receipt, and Operator shall not question the authority of the Director or the Designee to give any such notice.

32. INCORPORATION OF EXHIBITS TO AGREEMENT, EXECUTION OF GUARANTY

All of the Exhibits attached to this Agreement are incorporated into and made a part of this Agreement by this reference, and Operator shall perform all of its obligations thereunder; provided however, that unless the Guaranty attached as Exhibit R to this Agreement is required to be executed pursuant to the last sentence of this Section 32, said Exhibit R shall not be incorporated into and made a part of this Agreement. If a third party or third parties joined in the Proposal submitted by Operator as a guarantor, then such third party or third parties, as

applicable, shall execute and deliver to the Port the Guaranty in the form attached hereto as Exhibit R at the same time that this Agreement is executed and delivered by Operator to the Port.

33. WAIVER OF DAMAGE

Operator hereby expressly waives and releases any cause of action or right of recovery for compensation for any and all loss or damage sustained by reason of any fire, defect, deficiency or impairments of any of the services in or to the Premises, the Parking Facilities or the Airport, including, but not limited to, electrical power, gas, telephone service, steam, heating, air conditioning, water supply, plumbing, drainage or sewage systems, or from wires leading to or inside of any space or structure, or by reason of any loss resulting from the failure of any such system or facility unless such loss or damage is due solely to the willful misconduct of Port or its officers, agents or employees. It is understood that Operator shall take such steps as Operator may consider necessary to protect Operator's trade equipment and other personal property from any damage that may be caused to same in the event of any failure or interruption of such utility service. Whenever the Port shall find it necessary for the purpose of making repairs or improvements to any utility supply system it shall maintain, it shall have the right to suspend temporarily the delivery of gas, electricity, water or other utility service, or any thereof, but in all such cases (except in the event of an emergency) reasonable notice of such suspension will be given to Operator.

The Port and its Board of Port Commissioners and its officers, employees and agents shall not be liable to Operator or to any third party claiming through Operator for any loss of business or any indirect, incidental, special or consequential damages or lost profits arising out of or relating to this Agreement or the operation of Operator at the Airport or for any other cause.

34. ADVERTISING

Operator shall not display any advertising on the Premises or the Parking Facilities that does not relate to the Services. Advertising that relates to the Services may only be displayed by Operator to the extent such advertising, and its location, have been expressly approved by the Director in writing. Under no circumstances may any general advertising be displayed on or in the Premises or on or in the Parking Facilities, or may any banners be displayed for longer than 60 consecutive days.

35. MISCELLANEOUS.

35.1 Security Mandates. Operator recognizes that the Port is required to comply with the security mandates of the Federal Aviation Administration ("FAA"), the Department of Transportation, the Transportation Security Administration, the Department of Homeland Security, and with other governmental and administrative rules and regulations relating to airports. The procedures determined by the Port to be necessary to comply with such security mandates and other governmental or administrative requirements will be delivered in writing by the Director or the Designee to Operator's on-site manager or assistant manager, with a copy of such procedures delivered by mail to Operator at the notice address listed herein. The Operator shall acknowledge receipt of such procedures in writing. The Operator and the Operator's agents,

employees, representatives and subcontractors shall be responsible for full compliance with all procedures so delivered and the current procedures shall constitute a part of this Agreement. Such procedures are subject to change without notice other than the delivery thereof to Operator's on-site manager or assistant manager in accordance with the provisions of this Section 35.1, and Operator shall immediately comply with such procedures.

a) Operator shall reimburse the Port within fifteen (15) days from receipt of Port's invoice for the amount of any civil penalty or fine that may be assessed against the Port by any governmental agency for a violation that arises out of Operator's failure to comply with its obligations under this Section 35.1. Operator shall not be obligated to make a payment to Port under this Section 35.1(a) if such payment would duplicate a payment for the same violation that has already been made by Operator to the Port under Section 25.1 above.

b) Failure of Operator to fully perform in accordance with this Section 35.1 shall constitute breach of this Agreement, in which event the Port may, at its sole option, immediately terminate the Agreement for cause.

35.2 Lost And Found Articles. All articles found by the Operator, its agents or employees, or which are found by patrons and given to the Operator, shall be turned over to the Airport Lost and Found Department as lost and found items. The Operator, its agents and employees shall have no right to reclaim said articles. Lost and found articles while in possession of the Operator, its agents and employees, that cannot be accounted for, will be reimbursed by Operator to the Port at the fair market value of the articles, as reasonably determined by the Port, or replaced at the Operator's sole expense.

35.3 Entire Agreement; Amendments; Conflict with Exhibits. This Agreement, which includes all of the exhibits and attachments hereto, and which also includes all which also incorporates the Proposal (to the extent provided in Section 32 above), constitutes the entire agreement between the parties with respect to the subject matter hereof, and any prior agreements, representations or statements made with respect to such subject matter, whether oral or written, and any contemporaneous oral agreements, representations or statements made with respect to such subject matter are merged herein. Except as otherwise specifically provided in this Agreement, this Agreement may be altered or amended only by written instrument executed by all of the parties hereto. In the event of an express conflict between an Exhibit to this Agreement and this Agreement, the provisions of this Agreement shall prevail.

35.4 Waiver and Severability. The failure of either party to require performance by the other party of any provision hereof shall not affect the full right to require such performance at any time thereafter; nor shall the waiver by either party of a breach of any provision hereof be taken or held to be a waiver of the provision itself. In the event that any provision of this Agreement shall be unenforceable or invalid under any applicable law or be so held by applicable court decision, such enforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole, and in such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such provisions within the limits of applicable law or applicable court decisions.

35.5 Jurisdiction and Venue.

Operator hereby consents to the exclusive jurisdiction of the State of California Superior Court of the County of Alameda and of the Federal District Court for the Northern District of California in Alameda County with respect to any actions instituted by Port or Operator under this Agreement, and waives any objection which it may have at any time to the laying of venue of any such action brought in any such court, waives any claim that such action has been brought in an inconvenient forum and further waives the right to object, with respect to such action, that such court does not have any jurisdiction over Operator. Operator further irrevocably consents to the service of process by certified or registered mail (airmail if overseas) or the equivalent (return receipt requested), or the service of process in any other manner permitted by law, in any action instituted by Port and arising against Operator under this Agreement. Port agrees to serve such process on Operator's registered agent under California law if the name and address of Operator's current registered agent in California has been provided to Port in advance and in writing.

35.6 Headings. The article and section headings herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provision of this Agreement.

35.7 Time of Essence. Time is expressed to be of the essence of this Agreement.

35.8 Successors and Assigns. The Agreement will inure to the benefit of and shall be binding upon the parties hereto and their authorized successors and assigns.

35.9 Consents. Except as otherwise expressly provided herein, if certain action may be taken only with the consent or approval of the Port, or if a determination or judgment is to be made by the Port, such consent or approval may be granted or withheld, or such determination or judgment shall be made, in the sole discretion of the Director or the Designee.

35.10 Force Majeure. Neither party shall be liable by reason of any failure or delay in the performance of its obligations hereunder on account of strikes, except for strikes by its own employees, riots, insurrections, fires, floods, storms, explosions, earthquakes, acts of God, war, terrorist attacks, governmental action (unless arising out of a party's breach of applicable Laws), or any other similar cause that is beyond the reasonable control of such party, or if such failure or delay was caused by the other party's failure to fulfill its obligations under this Agreement ("Force Majeure"). If any event of Force Majeure occurs, the party delayed or unable to perform shall give immediate notice to the other party and shall re-commence performance at the earliest possible time.

35.11 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any counterpart of this Agreement shall be validly and effectively delivered if delivered by facsimile or electronic transmission.

35.12 No Recourse. No recourse under or upon any obligation, covenant or agreement contained in this Agreement, or any other agreement or document pertaining to the operations of Operator hereunder, as such may from time to time be altered or amended in accordance with the provisions hereof, or under any judgment obtained against Port, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise, under or independent of this Agreement, shall be had against any member (including, without limitation, members of Port's Board and its citizens advisory committees), director, officer, employee, representative, contractor, or agent, as such, past, present and future, of Port, either directly or through Port or otherwise, for any claim arising out of this Agreement or the operations conducted pursuant to it, or for any sum that may be due and unpaid by Port. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any Port member, director, officer, employee, representative, contractor, or agent, as such, to respond by reason of any act or omission on his or her part or otherwise for any claim arising out of this Agreement or the operations conducted pursuant to it, or for the payment for or to Port, or any receiver therefor or otherwise, of any sum that may remain due and unpaid by Port, is hereby expressly waived and released as a condition of and as consideration for the execution of this Agreement.

35.13 Additional Provisions

a) Operator shall submit its proposed annual Marketing plan to Port for the first year of the Operating Term of this Agreement at the time Operator executes this Agreement; and thereafter with its proposed Budget and Marketing Plan for each subsequent year of the Operating Term. Operator's proposed annual plan for the initial and each subsequent year of the Operating Term of this Agreement shall be subject to the written approval of the Director or the Designee, which approval shall not be unreasonably withheld.

b) Operator shall not make or suffer to be made any alterations, additions or improvements to the Parking Facilities or any part thereof or attach any fixtures or equipment thereto (collectively "Alterations") without the prior written consent of the Director or the Designee. All Alterations shall be at Operator's sole expense, shall be made in accordance with plans and specifications approved in writing by the Director or the Designee, and in accordance with all applicable Laws. Once started by Operator, such Alterations shall be diligently pursued by Operator to completion. Title to all Alterations shall vest in the Port on their completion, free and clear of all liens and encumbrances. In addition to satisfying its obligations under attached Exhibits M and N, Operator shall provide Port with such builders risk insurance that satisfies the applicable requirements of attached Exhibit M as the Port's Risk Manager may require before Operator may commence construction of any Alterations. In the construction of the Alterations, Operator shall also satisfy and require its contractor to satisfy all of their respective obligations under attached Exhibit U.

35.14 WAIVER OF JURY TRIAL. TO THE EXTENT PERMITTED BY LAW, OPERATOR AND PORT DO HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, SUIT OR

PROCEEDING RELATED TO, ARISING OUT OF OR IN CONNECTION WITH THE TERMS,
CONDITIONS AND COVENANTS OF THIS AGREEMENT.

[SIGNATURES NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement for Airport Parking Management Services to be executed the day and year first above written.

CITY OF OAKLAND,
a municipal corporation,
acting by and through its
Board of Port Commissioners,

By: _____
Executive Director

Operator Name:

By: _____
Its: _____

By: _____
Its: _____

By: _____
Its: _____

Attest:

By: _____

Print Name and Title
(If Corporate, Secretary, Assistant
Secretary, Chief Financial Officer, or
Assistant Treasurer)

Approved as to form and legality this _____ day of
_____, 2017.

THIS AGREEMENT SHALL NOT BE VALID OR
EFFECTIVE FOR ANY PURPOSE UNLESS AND
UNTIL SIGNED BY THE PORT ATTORNEY.

Port Attorney
Port Resolution No. _____

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

ATTACHMENT 1

PARKING FACILITIES DESCRIPTION

The term Parking Facilities, Airport parking facilities, or parking operations or such similar phrases includes the following facilities and their respective parking capacities as of July 1, 2017.

Public Parking Lots

1. Premier Lot	814 spaces
2. Hourly Lot	600 spaces
3. Daily Lot	3,572 spaces
4.-Economy Lot	<u>1,934</u> spaces
Subtotal: Active Public Parking:	6,920 spaces*

5. Former Employee Parking Lot (Inactive)	1,463 spaces
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Total Public Parking	8,383 spaces
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Employee Permit Parking Lots – for information only

6. Oakland Maintenance Center Lot	834 spaces
7. Neil Armstrong Employee Lot	646 spaces
8. Lot 214	214 spaces
9. Terminal 1 Management / VIP / FAA Lots	141 spaces
10. Terminal 2 Lot	<u>65</u> spaces
Subtotal: Employee Permit Parking:	1,747 spaces

LIST OF EXHIBITS

EXHIBIT A-II	PARKING SERVICE REQUIREMENTS
EXHIBIT B-I	ANNUAL OPERATING BUDGET FOR PARKING SERVICES
EXHIBIT C-I	MONTHLY MANAGEMENT REPORT FOR PARKING SERVICES
EXHIBIT D	BUDGET & REIMBURSEMENT PROCESS
EXHIBIT E	FINANCIAL AND REPORTING RESPONSIBILITIES
EXHIBIT F	ADMINISTRATIVE FEES
EXHIBIT G	AUDITS AND AIRPORT REVIEWS
EXHIBIT H	INTENTIONALLY OMITTED
EXHIBIT I	OPERATIONS AND PROCEDURES MANUAL INFORMATION
EXHIBIT J	PERSONNEL
EXHIBIT K	TRAINING MANUAL INFORMATION
EXHIBIT L	PUBLIC RELATIONS PROCEDURES MANUAL INFORMATION
EXHIBIT M	INSURANCE REQUIREMENTS
EXHIBIT N	WORKERS' COMPENSATION; PAYROLL TAX REIMBURSEMENT
EXHIBIT O	FORM OF PERFORMANCE BOND
EXHIBIT P	NON-DISCRIMINATION PLAN FOR EMPLOYMENT
EXHIBIT Q	RESERVED
EXHIBIT R	GUARANTY
EXHIBIT S	LIST OF ACDBES TO BE USED BY OPERATOR AND QUARTERLY REPORTING
EXHIBIT T	RESERVED
EXHIBIT U	AGREEMENT ADDENDUM

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT A

PARKING SERVICE REQUIREMENTS

The Operator agrees to provide Services at service locations directed from time to time by the Director or the Designee. Such services shall be provided during the hours as specified below seven days a week, including holidays, unless and until other hours of services are established from time to time by the Director or the Designee. Port reserves the right from time to time to order changes in the service locations and in the Services to be performed by Operator. All such changes shall be incorporated in written change orders executed by the Director or the Designee which shall specify the changes ordered and the adjustment of compensation if any. Any Services added to the scope of this Agreement by a change order shall be executed under all applicable conditions of this Agreement. Any overtime shall be paid for pursuant to the provisions of the Agreement. Except as otherwise provided in this Agreement, no other claim for additional compensation will be recognized for the Services to be provided by Operator under this Agreement. Services may not be interrupted at any time. The specified staffing required to provide Services, as described herein, must be provided at all times as specified.

PARKING SERVICES

All Parking Services shall be operated according to procedures and operating plans designated from time to time by the Director or the Designee. The Operator shall, at a minimum, perform the following functions related to these Services without limitation:

1. provide Services in accordance with a schedule approved by the Director or the Designee;
2. provide trained, professional and courteous parking attendants, cashiers, and supervisors;
3. collect parking fees and charges as established by Port Ordinance without exception, except as directed by the Director or the Designee; and
4. render such other related services as may be requested by the Director or the Designee.
5. PARCS maintenance services, as may be requested by the Director or the Designee.

INITIAL SERVICE LOCATIONS:

Except to the extent changed or modified by the Port, the Operator shall operate Services on the Airport, at the following locations: Public Parking Lots 1-5, as described on Attachment 1.

MINIMUM PERSONNEL:

The Operator shall provide the following number of cashiers and supervisors at each location as follows (subject to change):

<u>Locations</u>	<u>Hours</u>	<u># of Ambassadors</u>	<u># of Cashiers</u>	<u># of Lot Attendants</u>	<u># of Inventory Clerks*</u>	<u># of Supervisors*</u>
Premier Lot	0600-1600	1		1		2
	1600-2300	1		1		3
	2300-0600				1	2
Hourly/Daily Lot	0600-1600		4			
	1600-2300		6			
	2300-0600		1			
Economy Lot	0600-0800		1			
	0000-2400		2			
	2300-0600		1			

* **O**versee all service locations for the times indicated.

The Operator shall adjust the number of cashiers for each service location to ensure that (i) no motor vehicle has to wait more than eight (8) minutes in line to exit; and (ii) the average wait in line over any hour-long period shall not exceed two (2) minutes. Failure to provide appropriate personnel to meet the minimum staffing schedule will result in the assessment of an Administrative Fee as set forth in Exhibit F. Operator shall, with the prior written consent of the Director or Designee, adjust staffing schedules and requirements in conjunction with utilization levels of the self-service payment lanes at the Hourly/Daily Lot exit plaza, and other potential future facility improvements.

ADDITIONAL SERVICES:

Operator may be required to perform a variety of additional duties including but not limited to the following, as may be authorized in writing from time to time by the Director or the Designee, and at costs approved in advance in writing by the Director or the Designee, including but not limited to:

1. Customer and vehicle counts;
2. Customer surveys;
3. Purchase, installation and maintenance of signs, schedule holders, etc., over and above the requirements described herein;
4. Purchase and/or rental and maintenance of beepers and/or radios for shift supervisors over and above the equipment provided by the Port;
5. Purchase and/or rent of additional equipment or materials necessary for the Operator's staff to supervise the Parking Services, and which may be reimbursed by the Port when approved in advance, as determined in the Port's sole discretion;
6. The loan or use of supervisory personnel from Operator's corporate headquarters for Parking Services related projects over and above those described herein; and
7. The loan or use of clerical or secretarial personnel from Operator's corporate headquarters for Parking Services related projects over and above those described herein.

8. PARCS Level 1 and Level 2 maintenance services (described on page A-4).

Except as otherwise provided in the Agreement, Operator shall be reimbursed in an amount that is equal to actual costs incurred by Operator for any such additional service as approved in writing by the Director or the Designee. Operator may include any such approved costs (after the expense has actually been incurred and paid for by Operator) in the regular monthly invoice.

ADMINISTRATIVE FEES:

Administrative Fees will be charged to the Operator for any violations of the provisions of this Agreement, as enumerated in Exhibit F.

ACTIVITY REPORTS

Operator shall submit to the Director monthly and annual reports, and as-needed reports of Port-specified durations for the Parking Services on report forms, which shall be provided by Operator or Port, at Port's election. These report forms may be modified at any time by the Director or the Designee. Such Service reports shall include, at a minimum:

1. employee daily shift reports;
2. daily shift reconciliation;
3. weekly work schedule and monthly employee rosters, including all new hires and terminations;
4. daily reports of Revenue, activity (transaction) counts and vehicle counts, as specified in Exhibit E;
5. weekly activity, peak occupancy and gross receipt summaries, as specified in Exhibit E;
6. monthly activity and Revenues summaries and certifications which shall be reconciled to daily and weekly reports, as specified in Exhibit E;
7. monthly Parking Transaction Volume and Revenue Reports, as specified in Exhibit E;
8. monthly employee payroll reports;
9. monthly credit card activity reports and invoices including monthly and year-to-date activity
10. monthly reimbursable operational expenses summaries; and
11. such other statistical reports concerning management and operation of the Services as the Port reasonably may require from time to time.
12. System-generated Monthly and Fiscal Year to Date Timecard reports in pdf format
13. System-generated bi-weekly employment status report including employee name, title, hire/termination date, and any change of employment status (i.e. part time vs. full time)
14. System-generated summary of employee leave time or personal time off (PTO) including accruals and time used for vacation, sick, bereavement, jury duty and birthdays

Weekly reports shall be submitted by the last business day of the following week. Preliminary monthly reports shall be submitted by the 5th calendar day of each month and final monthly reports shall be submitted by the 10th calendar day of each month. If the 5th or 10th calendar day of any month falls on a weekend or legal holiday, the report will be due on the next business day. Annual reports shall be

submitted within thirty calendar days of the end of each calendar year. Operator shall supply Port with such other financial or statistical reports as the Director may request from time to time during the Operating Term of this Agreement. Failure to provide reports within the time required will result in the assessment of an Administrative Fee as specified in Exhibit F. Submission schedules may be adjusted at the sole discretion of the Port.

JANITORIAL SERVICES

Except as otherwise provided in the last sentence of this paragraph, Operator shall provide all cleaning services necessary to ensure that the Parking Facilities, the Premises, and all other areas from which the Services are provided, including, without limitation, the parking office, parking storage sheds, passenger shelters and cashier booths, are clean and sanitary. Operator shall provide suitable covered fireproof receptacles for the safe and sanitary disposing of all trash (including any Toxic Materials, as defined in this Agreement, which shall be disposed of in accordance with the applicable requirements of Sections 14.2 and 14.3 of this Agreement) and other refuse which may be generated on the Premises, the Parking Facilities, and all areas from which parking services are provided, as a result of providing Services. Piling of refuse or other similar items in view of a public area is prohibited. For large object debris that is impractical to be removed by Operator or subcontractor, Operator shall contact Airport Business Office staff to arrange for removal by Airport Maintenance staff.

MAINTENANCE OF PARKING REVENUE CONTROL EQUIPMENT AND TICKET MACHINES

Following a 12-month PARCS Warranty period designated Operator staff shall perform the following Level 1 and Level 2 PARCS maintenance services.

Level 1 PARCS Maintenance Services

- a. Monitor and conduct periodic checks to ensure that the PARCS equipment deployed in the parking facility entry and exit lanes is in a state of good repair.
- b. General Cleaning, Calibration, Lubrication, etc. of all entry and exit lane and field equipment including bus lanes
- c. Fault Isolation to determine responsibility
- d. Monitor levels of ticket stock in the Ticket Issuing Machines (TIMs) and replenish ticket stock when necessary
- e. Clearing ticket and receipt jams
- f. Keep TIM and exit terminals housings clean and free of graffiti and stickers
- g. Simple Component "Swap Out" operations
- h. Replacement of Broken or Damaged Barrier Gate Arms
- i. Equipment Restart and/or Reboot

Level 2 PARCS Maintenance Services

- a. General Preventive Maintenance
- b. System evaluation and troubleshooting

- c. Component Swap-Outs for lane equipment
- d. Facility Level maintenance and repair service
- e. All lane level maintenance and repair service

Operator shall immediately report to the Port if Operator knows or reasonably should know that any of the revenue control equipment, including cash registers, used for the Services is in need of service, repair or replacement.

Operator staff shall not be responsible for the following PARCS maintenance activities:

Port staff will be responsible for performing the following tasks:

1. Switching, firewalling, and hosting PARCS-dedicated servers. Perform up / down server monitoring, firmware updates and infrastructure hardware replacements.
2. Assist Port Parking Operations staff with IT related items as needed.
3. Install Windows Updates and Anti-Virus software and updates.

The Port's PARCS supplier-contractor shall provide the following Ongoing Maintenance Support Services:

1. Perform all PARCS software-related maintenance tasks, including all updates and patches required to maintain a secure and up-to-date PARCS software operating environment; and assure that the PARCS software and operating system remain PA-DSS compliant for the duration of the Contract.
2. Remote Software Support for both PARCS and all 3rd party applications
3. 24/7 Hotline Telephone Support

MAINTENANCE OF PARKING AND SHUTTLE BUS GATES

Operator shall monitor and conduct periodic checks to ensure that the parking entrance and exit gates and other structural components for the Parking Facilities (the "Parking Gates") are fully operational.

Operator shall monitor and conduct periodic checks to ensure that the gates intended for use by the Airport shuttle buses and maintenance vehicles for each of the Parking Facilities (the "Shuttle Gates") are fully operational.

MAINTENANCE OF EMERGENCY CALL BOXES AND SURVEILLANCE CAMERAS

Operator shall monitor and conduct periodic checks to ensure that existing and future emergency call boxes and related surveillance cameras located inside the Parking Facilities (the “Cameras and Boxes”) are fully operational. Operator shall immediately report to the Port if Operator knows or reasonably should know that any of the Cameras or Boxes is in need of service, repair or replacement. Except as otherwise provided in this Agreement, Operator shall have no other security obligations for the Parking Facilities.

VEHICLE TOWING SERVICES

Operator shall be obligated to tow vehicles from any Parking Facility to Port’s impound lot or to relocate vehicles that are parked improperly or illegally within a Parking Facility. Operator shall provide the Vehicle Towing Services in the manner and at such times as may be directed by the Director or the Designee.

SALES OF EMPLOYEE PARKING PERMITS

Port may request Operator to sell and issue employee permit parking media. This would include:

- Provide staff to issue parking media to employees utilizing lots at the Airport. Approximately 6,000 employees currently park in various Airport permit lots. Permits would be issued during Port-specified hours. This would involve the following tasks.
 - a. Store and inventory Port-provided parking media.
 - b. Sell permits to authorized OAK employees in accordance Port policies, at Port-specified location(s). Operator shall accept payments and will develop monthly permit sales reports in a Port-specified format to facilitate reconciliation and integration into the Port’s Oracle Enterprise Management System.
 - c. Prepare daily and monthly reports of inventory, sales and revenue (cash plus credit card) proceeds as directed by Port.
 - d. Deposit cash proceeds in a manner consistent with Port-prescribed deposits of public parking revenue or as directed by Port.
 - e. Conduct audit of permit sales and inventories under Port direction.
 - f. Work with OAK staff to ensure adequate permit inventory.
 - g. Process refunds in accordance with Port policy.

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT B

FY 2017-18 PARKING OPERATIONS BUDGET

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	2017-18 Budget
<i>Direct Union Labor (Cashier & Ambassador)</i>	73,615	70,215	52,179	49,779	49,779	107,002	54,579	52,179	52,179	49,779	74,602	52,179	738,069
Payroll Tax	7,362	7,022	5,218	4,978	4,978	10,700	7,095	6,783	6,783	4,978	7,460	5,218	78,575
<i>Workers' Compensation (7.25%)</i>	5,337	5,091	3,783	3,609	3,609	7,758	3,957	3,783	3,783	3,609	5,409	3,783	53,510
<i>Employee Benefits-Cashiering Staff</i>	13,500	13,500	10,728	10,728	12,479	12,479	12,479	12,479	12,479	12,479	12,479	12,479	148,288
	99,814	95,827	71,908	69,094	70,845	137,939	78,111	75,225	75,225	70,845	99,950	73,659	1,018,442
<i>Direct Non Union Labor (Supervisor)</i>	54,103	51,603	54,103	51,603	51,603	79,905	56,603	51,603	51,603	51,603	77,405	54,103	685,839
Payroll Tax	5,410	5,160	5,410	5,160	5,160	7,990	7,358	6,708	6,708	5,160	7,740	5,410	73,378
<i>Workers' Compensation (7.25%)</i>	3,922	3,741	3,922	3,741	3,741	5,793	4,104	3,741	3,741	3,741	5,612	3,922	49,723
<i>Employee Benefits-Supervisory/Parking Specialist Staff</i>	5,000	5,000	5,000	5,000	5,000	5,000	7,500	7,500	7,500	7,500	7,500	7,500	75,000
Total Direct Personnel Expense	68,436	65,505	68,436	65,505	65,505	98,688	75,565	69,553	69,553	68,005	98,257	70,936	883,940
Indirect Labor - Administrative Staff (Admin+ IT)	27,192	27,192	27,192	27,192	27,192	40,788	24,720	24,720	24,720	24,720	37,080	24,720	337,428
Payroll Tax	2,719	2,719	2,719	2,719	2,719	4,079	3,214	3,214	3,214	2,472	3,708	2,472	35,968
Workers' Compensation(7.25%)	1,971	1,971	1,971	1,971	1,971	2,957	1,792	1,792	1,792	1,792	2,688	1,792	24,464
Employee Benefits	3,000	3,000	3,000	3,000	3,000	3,000	4,000	4,000	4,000	4,000	4,000	4,000	42,000
Total Indirect Personnel Expense	34,883	34,883	34,883	34,883	34,883	50,824	33,726	33,726	33,726	32,984	47,476	32,984	439,859
													-
													-
TOTAL PERSONNEL EXPENSE	203,132	196,214	175,227	169,481	171,232	287,451	187,402	178,503	178,503	171,834	245,683	177,579	2,342,242

CREDIT CARD FEES (3003) SELF PARK	76,529	76,643	86,940	79,743	89,169	75,908	66,916	76,167	74,170	74,170	74,170	74,474	925,000
	8.3%	8.3%	9.4%	8.6%	9.6%	8.2%	7.2%	8.2%	8.0%	8.0%	8.0%	8.1%	
OTHER OPERATING EXPENSE (3004)													
PRCS	600	700	25,000	1,150	850	1,800	1,000	1,100	2,300	1,100	1,000	1,800	38,400
Traffic Control Supplies	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Miscellaneous Supplies	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Repairs and Maintenance	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Auto Maintenance	900	900	900	900	900	900	900	900	900	900	900	900	10,800
Golf Cart Maintenance	200	200	200	200	200	200	200	200	200	200	200	200	2,400
VerMac Sign Maintenance	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Call Box Maintenance	200	200	200	200	200	200	200	200	200	200	200	200	2,400
EV charging Units	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Garbage Service	760	760	760	760	900	900	900	900	900	900	900	900	10,240
Communications	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Employee Uniforms	1,700	1,360	1,360	1,700	1,360	1,360	1,700	1,360	1,360	5,700	1,360	1,360	21,680
Armored Car Service	2,800	2,800	2,800	2,800	2,800	3,000	3,000	3,000	3,000	3,000	3,000	3,000	35,000
Other Services	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	31,200
Check Verification Services.	70	70	70	70	70	180	80	80	80	80	80	80	1,010
Record Storage	510	510	510	510	510	510	510	510	3,550	510	510	510	9,160
Parking Area Improvements	833	833	833	833	833	833	833	833	834	834	834	834	10,000
Water/Newspaper/Propane	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	13,200
TOTAL OTHER OPERATING EXPENSE	14,373	14,133	38,433	14,923	14,423	15,683	15,123	14,883	19,124	19,224	14,784	15,584	\$210,690
Marketing (Reimbursable)	12500	12500	12500	12500	12500	12500	12500	12500	12500	12500	12500	12500	150,000
MANAGEMENT FEE (3001)	70,627	70,627	70,627	70,627	70,627	73,139	73,139	73,139	73,139	73,139	73,139	73,139	865,108
VARIABLE MANAGEMENT FEE (3001)						151,630							151,630
PORT OF OAKLAND EXPENSE	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Transition Expense							0						-
TOTAL PARKING EXPENSE	377,661	370,617	384,227	347,775	358,451	616,811	355,579	355,692	357,936	351,367	420,776	353,777	4,650,670

MONTHLY PUBLIC PARKING SUMMARY REPORT

For the Month Ending June 30, 2017

MONTHLY						Gross Revenue / Transaction		
		February-17	February-16	Variance	%	2017	2016	% Change
GROSS REVENUE								
	Premier	\$ 524,528	\$ 511,268	\$13,261	2.6%	\$59.10	\$56.26	5.1%
	Hourly	394,960	392,538	2,422	0.6%	\$9.69	\$9.54	1.6%
	Daily	1,530,058	1,492,554	7,504	2.5%	\$63.00	\$62.79	0.3%
	Economy	1,024,250	960,653	3,597	6.6%	\$63.29	\$64.14	-1.3%
	Gross Revenue	3,473,796	3,357,013	116,784	3.5%	\$38.56	\$37.72	0.02
	City of Oakland Tax	542,323	524,091	18,232	3.5%			
	NET REVENUE	\$ 2,931,474	\$2,832,922	\$98,552	3.5%	\$32.54	\$31.83	2.2%
OPERATING EXPENSE BY LOT								
	Premier	\$ 35,327	\$ 33,895	\$(1,431)	-4.2%			
	Hourly	146,180	142,361	(3,820)	-2.7%			
	Daily	107,895	105,076	(2,819)	-2.7%			
	Economy	59,168	57,622	(1,546)	-2.7%			
	TOTAL EXPENSE	\$ 348,570	\$ 338,954	\$(9,616)	-2.8%			

The Port's required template for displaying this data includes tables for (a) Month, (b) Fiscal Year to Date, and (c) Last 12 Months.

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT D

BUDGET & REIMBURSEMENT PROCESS

The operating budget approved by the Port for the Services for the first year of the Operating Term is attached hereto as Exhibit B.

Operator shall submit proposed operating budgets for each subsequent year of the Operating Term either (a) at least ninety (90) days prior to the date on which such year will commence; or (b) during the course of the Port's annual budget development cycle which typically occurs between March and May each year; as requested by the Port. After Port review, the Operator will revise the estimated budgets to conform to the written recommendations, if any, of the Port. All final budget decisions made by the Port will be accepted and administered in good faith by the Operator. Revised budgets, approved by the Port, will be in final form at least sixty (60) days prior to the commencement of such year. The Port reserves the right to terminate this Agreement by written notice to the Operator if the parties have not timely agreed to the revised Budgets.

The proposed budgets will be submitted on a line item basis. The proposed budgets will describe the Operator's expected expenditures in reasonably accurate detail for the annual period for the specific Service. All listed expenditures will be stated in terms of Operator's actual direct expenses. Unemployment insurance amounts shall be based only on the payroll of employees whose gross wages have not exceeded the limit for taxable wages.

Any reference in this Exhibit D to a "Budget" or "Budgets" for the first year of the Operating Term shall refer to the applicable Budget attached to this Agreement as Exhibit B-I, and for any subsequent year of the Operating Term shall refer to a Budget or Budgets approved by the Port pursuant to this Exhibit D.

Except as otherwise provided in this Agreement, Operator will operate within the Budgets for the respective Services, and within the maximums for each line item in each such Budget, except as otherwise provided in this Agreement. The Operator shall meet with Port staff monthly and quarterly to review year-to-date budget adherence and financial performance. Line item expenses may exceed budgeted amounts on a monthly, quarterly and annual basis, only with the written concurrence of the Director or the Designee. In no event will any expenditure be approved if approval of such expenditure would cause the Port's aggregate reimbursements to exceed the total annual Budget for the Services. Any such approval shall not establish a precedent for future monthly Budget or individual Budget line item overages.

OPERATING BUDGET FORMAT

The Budgets shall be in such format and detail as the Port may direct, and be prepared using the expense categories determined by the Operator and the Port.

BUDGETED REIMBURSABLE EXPENSES

Reimbursable Expenses, as specified in the Budgets, directly incurred by the Operator in the operation of the Services Services will be reimbursed by the Port, as long as the Operator performs and fulfills all applicable provisions described in the Agreement and provided that:

1. Reimbursable Expenses are itemized and reported, and supporting documentation is provided as described in the Agreement,
2. Requests for reimbursements shall be submitted both in soft-electronic copies including pdf, MS excel, or other Port-specified versions; and and hard (original) copies; and
3. Reimbursable Expenses are within an approved Budget line item and within an approved Budget line item maximum, except as may be approved in writing by the Director or Designee, but subject to the annual Budget amount as described in the fifth paragraph of this Exhibit D.

ACTUAL EXPENSE

“Actual Expenses” are defined as all actual expenses incurred by the Operator in performance of the Services required under this Agreement, and all actual expenses relating to the operation of the Premises.

Only Actual Expenses incurred which are either included in the Budget or specifically approved in writing by the Port are “Reimbursable Expenses”. However, the Operator shall submit to the Port and obtain the written consent of Port for the following details of certain Reimbursable Expenses:

1. The initial staffing levels by job category for those positions for which salaries are reimbursable by the Port and all changes thereto. The healthcare costs for non-represented staff shall not exceed the amounts set forth in Operator’s Proposal, subject to annual CPI adjustment of 3% or less;
2. The initial salary ranges for those job categories for which salaries are reimbursable by the Port and all changes thereto with the exception of senior management compensation which is included in the Fixed Management Fee and is not a reimbursable expense.
3. When a Senior Management position, for which total compensation is included in the Fixed Management Fee, is vacant, the invoiced and payable Management Fee shall be adjusted to reflect that vacancy, for as long as that position is vacant. Such adjustments shall reflect reduction in position-specific salary, fringe benefits and related payroll taxes.

4. All individual expenditures exceeding \$3,000 or total expenditures of a similar nature exceeding \$5,000 per year of the Operating Term of this Agreement, including, but not limited to, equipment, improvements to facilities and vehicles and subcontracts for supplies and services; and
5. The following:
 - a) Vehicle towing fees;
 - b) Emergency repairs of equipment or facilities;
 - c) Lien sales expenses, only if required procedures are followed;
 - d) Port approved refunds to patrons;
 - e) Port-designated off-site storage facility for Airport parking operation reports and tickets;
 - f) Reasonable charges for Armored car service;
 - g) Independent audits;
 - h) Maintenance or replacement of Port furnished equipment;
 - j) Expenses related to driving or operating Operator's vehicles that are used solely at the Airport, not to exceed the lesser of \$300 per month per vehicle or an aggregate of \$900 per month
 - k) Local telephone expense;
 - l) Uniforms and maintenance of uniforms worn by Operator's employees providing Parking Services;
 - m) DMV Pull Notice Program Fees; and Drug Test and Background Checks
 - n) Custodial and Janitorial expenses;
 - o) Tolls, if any, that Operator's employees are required to pay in order to gain entry onto the Airport to provide the Services;
 - p) Costs of maintaining the insurance requirements specified in Exhibits M and N, subject to the limitations contained therein; and
 - q) The cost to purchase one cellular phone (not to exceed \$100) for each of the General Manager, Assistant General Manager and the Marketing Coordinator one replacement cellular phone (not to exceed \$100) for each of them after the third year of the Operating Term of the Agreement, and the monthly cell phone fees (not to exceed \$70.00 in any month) for each of such two cell phones.
 - s) Operator shall be reimbursed actual customary and reasonable standard rate service charge(s), if any, of the bank(s) processing authorized credit or debit card transactions. The fees may include interchange rates and fees, assessment rates and fees, and processing fees.
 - t) Port-authorized, Marketing-related postage expense

Operator shall provide written evidence acceptable to the Director or Designee which adequately verifies the actual amount(s) of all reimbursed rates and fees for credit or debit transactions, including original (monthly) statements prepared by Operator's merchant bank and/or credit card processor. The processing fee shall be that charged to the Operator by its merchant bank shall be clearly displayed. Operator shall be responsible for the accuracy of the credit card rates and fees and the application of those fees by the merchant bank.

Invoice statements must clearly display the actual Interchange, Assessment and Processing rates and fees, and resulting gross dollar amounts paid by Operator for each credit and debit card type; including the percentage fees and fees per transaction, as described above, in a format that facilitates thorough, efficient review and audit of actual fees and commissions paid. Operator shall supplement monthly statements submitted by its merchant bank, with a summary report of all credit card fees paid, by major credit card association, to further facilitate review and audit of charges. This summary report shall use a template approved by the Director or Designee and shall be included in the monthly management report along with all invoices submitted for expense reimbursement, which shall be subject to audit at the Port's discretion.

Operator shall obtain the most advantageous credit card transaction processing rates and bank charges based upon a comparison of competitive market rates and verifiable evidence of such rates, or through bid or other competitive process.

Operator shall inform Port, in writing, of any announced, pending change in rates and fees originating from and assessed by any credit card association that are contained in the Interchange and Assessments rates and fees, and shall submit a written request to the Director or Designee to reflect changes in invoiced actual based on such rate and fee changes.

For expenditures that recur each month, the Operator shall notify the Port when it submits its initial request for consent for such expenditure that the expenditure shall be a recurring one and shall provide a detailed schedule setting forth the recurring nature of the expenditure. The Port may, in its sole discretion, provide advance approval of the continued payment of the expenditure based on the schedule provided by the Operator. Operator must submit receipts or receipt copies for all expenses identified as reimbursable in this Exhibit D.

NON-BUDGETED ACTUAL EXPENSES

The Operator will submit any non-budgeted Actual Expenses to the Port for review and approval in writing, prior to or after the expenditure. Except as otherwise provided for in Section 9.2 of the Agreement, Port shall have sole discretion in approving or disapproving any non-budgeted Actual Expense.

NON-REIMBURSABLE ACTUAL EXPENSES

Reimbursable Expenses shall specifically not include any of the following:

1. Salary, cost and expenses of nonresident legal, audit, administrative, bookkeeping and executive personnel of the Operator, except as specifically approved in writing by the Port.

“Nonresident” personnel are defined as personnel who perform home/office and/or central office functions which are not directly related to the Services; and

2. Any expenses that are not provided for in the appropriate Budget line item or that are not otherwise approved in writing by the Director or the Designee in accordance with the provisions of this Agreement;

3. Any of the following expenses:

- a) Charitable or political contributions;
- b) Legal representation, union negotiations, and/or arbitration hearings;
- c) Payroll processing expenses Operator may pay to an outside vendor for payroll processing;
- d) Travel, lodging, meal or miscellaneous expenses for Operator’s employees;
- e) Uninsured losses and deductibles and insurance expenses other than as specified in Exhibit N;
- f) Except as otherwise expressly provided in paragraph 4(j) under “Actual Expenses” in this Exhibit D, expenses relating to driving or operating Operator’s vehicle(s);
- g) Mileage and vehicle expenses for employees’ personal vehicles;
- h) Maintenance, repair or service expenses or service contracts relating to property used by the Operator but not supplied by the Port or procured with Port funds;
- i) Office, janitorial and general supplies not related to or used in providing the Services;
- j) Non-authorized postage, mailing and shipping charges;
- k) Except as otherwise expressly provided in paragraphs 4(k) and 4(q) under “Actual Expenses” in this Exhibit D, telephone service costs;
- l) Employee identification badges provided by the Operator;
- m) Fees for lost or damaged Airport security identification badges;
- n) Fees for lost or damaged Airport parking cards and unreturned Airport parking decals;
- o) Operator sponsored gatherings and activities for employees such as general social functions, holiday activities, parties, gatherings with food and refreshments, working breakfasts, lunches, dinners, snacks, and the like;
- p) Relocation expenses of the Manager(s) or Supervisor(s);
- q) All expenses associated with the hiring or retention of Operator’s employees;
- r) Amounts due the Port for lost, stolen, or unaccounted for funds;
- s) Amounts due the Port for cashier shortage, or for any IOU issued by the Operator following direction by the Director or the Designee not to issue IOUs;
- t) Actual or liquidated damages or Administrative Fees paid to the Port;
- u) Depreciation on Operator owned vehicle(s) and/or equipment for Operator’s on-site office or operations;
- v) Expenses of repairing damage caused by the Operator or its officers, agents, employees, contractors or invitees;
- w) Financing expenses associated with the Operator’s working capital;
- x) Income taxes;

- y) Late payment charges incurred by the Operator due to the Operator's late payment of invoices;
- z) Licenses, licensing fees or other public agency imposed fees including local business taxes;
- aa) NSF check amounts resulting from failure to use proper procedures;
- bb) Charge back amounts from credit card companies resulting from failure to use proper procedures;
- cc) Fees, penalties or fines paid or owed by the Operator or the Operator's employees, including fines for lost security badges or employee parking;
- dd) The cost of any crime insurance or performance bonds required by this Agreement;
- ee) Any indemnification or other payments made by Operator under Sections 14.2, 14.3, 18.1, 26.1, or 36.1(a) of this Agreement;
- ff) Any premium, deductible or self-retention amount under any insurance policy maintained by Operator, except as otherwise permitted by the terms and provisions of Section 4 and Exhibits M and N; and
- gg) The cost, if any, of employee parking at the Airport.
- hh) Life insurance premiums and pension payments for non-represented employees.
- ii) Expenses exceeding the limits set forth in the fixed Management Fee, the approved FY 2017-18 expense budget, and this Exhibit D.
- jj) Fuel surcharges assessed by subcontractors.
- kk) First aid kits including over-the-counter medications.
- ll) Un-authorized product warranties.
- mm) Any purchases made with a personal credit card or online account; and purchases not made in the name of an authorized contractor employee
- nn) Gasoline purchases not accompanied by dated original receipts displaying cost and fuel volume.

In the event of a disagreement between the parties, the Port retains sole authority to determine whether a proposed expense is reimbursable.

REIMBURSEMENT PROCESS

Reimbursement by the Port will be made monthly according to the following process:

1. Operator shall submit to the Port an original copy of a valid, complete Monthly Expense Report for the Services, which complies with all Port requirements and reporting specifications as set forth in the Exhibits C-I, and C-II of the Agreement, including copies of all approved invoices and copies of all time clock records and payroll stub copies covering payroll expenses for which reimbursement is sought, no later than the tenth (10th) calendar day of the month (or first day thereafter which is not a holiday) following the month to which the Report relates. The Operator shall provide the Port with all receipts and supporting documentation at the time the Operator provides the Port with the Monthly Management Report. Operator may note certain Reimbursable Expenses for which receipts were not available for such report and agrees to provide the Port with estimates or actual expense amounts, the estimated date for delivering

the receipt and the reason for delay if such delay is greater than 60 days from the date of expenditure. The Operator acknowledges that the Port will not reimburse such Reimbursable Expenses until the Port is provided with supporting documentation, including the original receipt, in a form reasonably acceptable to the Port to evidence the fact of such expenditure by the Operator. Operator agrees that any such subsequent submission of receipts shall clearly note which Monthly Management Report that the Reimbursable Expense relates, the amount to date that has been submitted for that month and the amount remaining of the Budget for that month. The Port agrees to allow the Operator to provide such receipts following the submission of the Monthly Management Report; provided, however, that the Port does not have to accept any receipts that are submitted more than 60 days from the date of expenditure.

2. Port shall accept or reject the Monthly Management Report within thirty (30) business days of the receipt of the Monthly Management Report and shall pay to Operator all Reimbursable Expenses for which supporting documentation has been submitted within thirty (30) business days of accepting the Monthly Management Report, subject to the limitations contained in this Agreement.

3. For payroll reimbursements, the Operator may separately provide receipts, including copies of all time clock records and payroll stub copies covering such payroll expenses for which reimbursement is sought, seven calendar days after Operator's payroll date. If there is no problem with reconciliation of the records and the receipts, including limitations of maximum service hours, the Port will use its best efforts to reimburse Operator for undisputed amounts within fifteen business days from the receipt of such expenses.

4. If the Port shall reject the Monthly Management Report, the Port shall notify the Operator of the reasons for its rejection and the items the Port considers inaccurate, incomplete or illegitimate. The parties shall promptly resolve any such questions and disputes in good faith.

The Port, at its sole discretion, may deduct from its payment, any disputed amounts and any amounts owed to it by the Operator, in which event Port shall provide Operator with written notice itemizing those deductions. The Port retains the right to randomly verify that for any reimbursement, actual payment to the vendor or third party has been made and any failure to provide such verification or any evidence that such payments have not been made may result in the assessment of an Administrative Fee as specified in Exhibit F.

QUARTERLY VARIANCE ANALYSIS

The Operator will submit to the Port a monthly Analysis Statement ("Analysis Statement") within ten (10) days after the end of each month during the Operating Term. The Analysis Statement is intended as a summary of revenue and expense attributable to each parking facility and will include a system-wide summary in a one to three page format. The summary will specifically describe:

1. Reimbursable Expense amounts as compared to the budgeted amount for each line item and the difference between the two amounts, and year-to-date actual expense, by line item, compared to the corresponding budgeted amount(s).

2. Explanation of significant variances for each line item.

The Port will review the Analysis Statement. The Port may provide a written response regarding the acceptability or non-acceptability of the variance to date.

Following the submittals of these reports after each calendar-quarter, the Operator shall meet with Port staff to review budget adherence for the year-to-date and assess the full fiscal-year outlook. Operator and Port staff shall agree upon steps intended to assure budgetary compliance by the fiscal year end.

THIRD PARTY VENDORS

Reimbursable Expenses for services or products provided through third party contracts will be reimbursed only if the service or product is included in the Port approved Budget. In addition, unless an existing vendor of Operator is approved in writing in advance by the Director or Designee, the Operator will comply with the following process for any contracts over \$5,000 or any recurring contract with the same vendor for services or products purchased which aggregate more than \$15,000 within a period of twelve (12) consecutive months:

1. The Operator will select vendors from an approved vendor list provided by the Port; and
2. Operator will provide the Port with no fewer than three bids from vendors on the list of approved vendors and the Port will select the best responsive bid.

The Port will not reimburse Operator for any invoiced expense(s) unless Operator provides to the Port original invoices and such invoices are approved by the Port. The Port's approval of such invoices shall be evidenced only by the signature of the Director or the Designee.

ADMINISTRATIVE FEES

The Operator's failure to timely submit complete and accurate Monthly Management Reports or Analysis Statements will result in the assessment of Administrative Fees as provided for in Exhibit F. In addition, any overstatement or understatement in any of the reports, bills or statements for reimbursement by the Operator to the Port will result in the assessment of Administrative Fees as provided for in Exhibit F.

OPERATOR'S VEHICLES

If this Agreement is terminated by the Port without cause prior to the third anniversary of the Commencement Date, then the Port will pay the Operator the residual value of the three service vehicles provided by Operator pursuant to Section 13.1(a) of the Agreement. This residual value shall be the lower of the Kelley Blue Book Value of such vehicles on the date of termination of this Agreement without cause, or the amount determined by depreciating Operator's original cost of these vehicles on a straight line basis over 60 months from the date of their acquisition by Operator. Port shall make this payment to Operator after Port's receipt of documentation in form

reasonably acceptable to the Director or the Designee showing Operator's original cost of these vehicles, their year of manufacture, make and model, the date of their acquisition by Operator, and Port's receipt of good title to these vehicles, free and clear of all liens or encumbrances. Notwithstanding the foregoing, the Port shall have no obligation to purchase vehicles that were not properly maintained by Operator or that have visible body damage.

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT E

FINANCIAL AND REPORTING RESPONSIBILITIES

Parking Revenues: Collection and Discrepancies

The Parking Revenues due the Port are measured by the parking lot revenue control system provided by the Port. On a daily basis the revenue due is the sum of cash, checks, and charge cards and cashier overages.

Operator will collect all parking charges and fees established by Port Ordinance and validated tickets as described and provided for in the Agreement. Operator shall maintain separate deposits and accountings from the Revenues. Operator will be absolutely responsible for all Parking Revenues, receipts and funds collected or required to be collected by Operator and will bear all risk of loss before deposits of such funds into Port designated bank or depository. The Operator is liable for payment to the Port, without excuse for nonpayment.

The Port will hold Operator responsible for discrepancies as a result of cashiers charging an exiting patron less than the amount due as described in the Agreement. Operator will be responsible for losses of Parking Revenues to the Port as a result of any cashiers' shortages. The amount due to the Port is determined by the difference between the amount of Parking Revenues recorded by the revenue control system and the actual amount collected and turned in by the Operator's cashiers at the end of each cashier's shift. Operator shall assist Port in determining the actual Parking Revenues in any instance of problems with the revenue control equipment. The Port will deduct the discrepancy from any amounts owed to the Operator including the Management Fee and Reimbursable Expenses. Overages accrue to benefit the Port. Shortages and overages may not be offset.

The Operator will ensure that established procedures are followed by the cashiers in handling cash, checks, credit cards, lost tickets, insufficient funds (IOUs), and non-revenue transactions.

Deposit Shortages. The Operator will be responsible for any cash shortage resulting from deposits made into Port's designated bank or depository. These shortages are in addition to shortages computed prior to deposit of funds. The bank certification of the deposit shall conclusively determine the amounts of any shortage and/or overage. The Port will provide the Operator with a monthly summary of such certification. Shortages and overages may not be offset. The Port will deduct shortages certified by the bank in these monthly summaries from any amounts owed to the Operator including the Operator's Management Fee and Reimbursable Expenses.

Parking Revenues: Deposits

- Operator will deposit the Parking Revenues, including parking receipts, and all other fees and funds collected from the management of the Parking Services, according to the following procedures:
- At least once each day Operator will assemble all Parking Revenues collected during the immediately preceding twenty-four (24) hours; and,
- The Operator will make deposits as specified by the Director or the Designee.

Each day the Operator will deposit all Parking Revenues into the Port's bank account. The day's funds are considered deposited to, and received by the Port only under the following conditions:

- Only upon actual deposit into the Port's account within the Port's designated bank or other Port designated depository; or
- Upon Operator's full compliance with Director's prescribed deposit instructions for deposits during weekends, holidays or after business hours into the Port's designated bank or other Port designated depository.

Operator will deliver to the Port's designated Business Office a duplicate deposit slip on the day of the deposits for the Parking Revenues. The deposit slip will specify whether the deposit is for Parking Revenues, and will contain the date, time, place of deposit, and total amount of deposit.

All receipts will be deposited or delivered to the Port free of all claims, demands, or counterclaims of any kind or character by Operator against the Port.

Armored Car Service

Operator is responsible to hire an armored car service that the Operator will use for the pick up of deposits of Parking Revenues collected from providing the Parking Services. Operator will make arrangements with the armored car service to handle the deposits.

"Dwell Time", as defined in the service contract between the Operator and the armored car service, is a specified time frame. A base charge is attached to the dwell time part of the service. The Port will reimburse the Operator the base charge for dwell time as specified in the armored car service contract. Charges due to excess premise time (greater than the contractually defined dwell time) is the responsibility of the Operator and shall not be a Reimbursable Expense. The Port will consider changes in the base charge provided by the Operator when dwell time substantially increases due to Port initiated changes to the Parking Services.

Change Fund

The Operator will maintain, at its own expense, a cash drawer change fund sufficient for the proper operation of the cashiering function for the Services.

Credit Cards

Operator will accept credit cards as payment for parking fees according to the following procedures.

1. Operator will only accept major credit cards that are specified and approved by the Port. The Port may, from time to time, add or delete credit cards acceptable for payment;
2. The credit cards may be accepted for the limited and sole purpose of payment of Airport parking fees in lieu of cash and only for the actual amount of the appropriate parking fee;
3. Operator will accept credit card transactions only in full compliance with all recommended procedures published by the bank or lender issuing the particular credit card involved;
4. Operator will provide a credit card verification service; and Operator will process credit card transactions, by using an automated, electronic deposit system provided by a federally insured financial institution.

Under no circumstances is the Operator permitted to return cash from Port monies to any person in any transaction involving the tendering of a credit card, ATM card or personal check.

Personal Checks/Other Checks

Operator will accept personal checks as payment for parking fees according to the following procedures:

1. Operator will follow instructions provided by check guarantee service to insure the collection of personal checks. No check will be accepted unless it is first guaranteed by the check guarantee service;
2. Personal checks will be made payable only to the "Port of Oakland"; and
3. Operator will be responsible to pay to the Port any amounts for checks not paid if it is determined check guarantee instructions are not followed.

Travelers' Checks

The term "travelers' checks" will bear the meaning set forth in the applicable legal statutes, whether local, state or federal.

Operator will accept travelers' checks as payment for parking fees according to the following procedures.

1. The travelers' checks were issued:
 - a) By a financial institution organized under the laws of any state or territory of the United States;
 - b) By a foreign financial institution which is authorized under federal law to maintain a federal agency or federal branch in the State of California; or

- c) By a licensee duly licensed by the Superintendent of Banks of the State of California.
2. Operator will verify the similarity of the signature endorsements on the travelers' checks at all times and will not accept travelers' checks where the signature endorsements are not similar.
3. Travelers checks will be made payable only to the "Port of Oakland".

Insufficient Funds (NSF) Checks and IOUs

The Port will provide the Operator with all checks returned by the check guarantee service as a result of the Operator failing to follow instructions of the check guarantee service. The Operator will be responsible for collection of all checks returned because of insufficient funds ("NSF"), unless acceptance of the check was approved in writing by one of Operator's supervisors, with the date and time of such approval noted on the check, and such approval was given at a time when a Force Majeure event prevented Operator from contacting the check guarantee service. Except as otherwise provided in the preceding sentence, Operator will deposit with the Port funds to pay all such NSF checks, including any bank fees, on the date such NSF checks are delivered to the Operator.

The Director may provide to Operator procedures to receive an IOU in lieu of payment for parking fees as part of the Airport's customer service. If the Port authorizes this practice and determines that the Operator has followed such procedures, the Port may relieve the Operator from the financial responsibility of such IOU. The Operator shall be liable for non-payment of any IOUs issued by Operator, following direction by the Director or the Designee not to issue IOUs.

Losses: Credit Cards and Checks

Operator will be fully and strictly liable to Port for any loss of revenue to Port as a result of Operator's acceptance of credit card(s) or check(s), unless acceptance of such credit card(s) or check(s) was approved in writing by one of Operator's supervisors, with the date and time of such approval noted thereon, and such approval was given at a time when a Force Majeure event prevented Operator from contacting the credit card company or check guarantee service, as applicable. Except as otherwise provided in the preceding sentence, Port may deduct the full amount of any such loss of revenue from any amounts owed to the Operator, including the Management Fee and payment of Reimbursable Expenses.

Lien Sales of Abandoned Vehicles

Operator will remit to the Port all applicable parking fees, towing fees, and recovered expenses relating to lien sales of abandoned vehicles. The remittance will include recovery of administrative expenses relating to the lien sales process. Operator shall utilize advertizing, solicitation, bid/award and collection methods and procedures as approved in writing by the Director or the Designee. Operator's employees shall not be eligible to bid on abandoned vehicles in a lien sale conducted by the Operator.

Monthly Revenue Report for Parking Revenues: Scope and Schedule

The monthly Self Parking Reports to be submitted by the Operator to the Port shall contain a separate complete reporting of operations data for the Services, and of all receipts collected and reimbursable budgeted expenditures made during such calendar month for Self the Services. The Parking Revenue Report will cover the following areas of information:

- A monthly activity “Scorecard” or “Dashboard”, approved by the Port, containing several benchmark performance indicators for parking operations, revenue and expense;
- Monthly activities for Services and gross revenue summaries for Parking Revenues and certifications, which will be reconciled to daily and weekly reports;
- Monthly gross/net revenue and operational expense summaries, by lot, for Services;
- Monthly processed tickets for the Services;
- Monthly Inventory Reconciliation for the Services: Compute and total the applicable Administrative Fee. Provide supporting documentation to substantiate the total computed. Report the amount due to the Airport;
- Daily unaccounted for vehicle reporting for the Services: Provide supporting documentation to substantiate the total computed;
- Average revenue per ticket for Parking Revenue;
- Profit and loss statement for all lien sales of vehicles covering applicable parking fees and recovered expenses for the Services; and
- Other reports concerning management and operation of the Services as the Port reasonably may require from time to time.

Operator will have available for Port’s review on a spot check basis the following types of information:

- Daily cash reconciliation by shift for the Services;
- Daily reports of gross receipts and fees, activity (transaction) count, vehicle count and physical inventory, and processed tickets for the Services;
- Daily recap and reconciliation reports for the Services;
- Weekly activity and gross receipts summaries for the Services.

The reports where possible, will also be available to the Port, at its request, through the automated report generator of the parking revenue control system.

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AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT F

ADMINISTRATIVE FEES

The parties agree that certain aspects of the Operator's performance are essential to the Port's operation and that the Operator's failure to perform these activities will result in administrative and monitoring expenses for the Port. Therefore, the parties agree that the listed Administrative Fees are reasonable estimates of such expenses to the Port and may be charged to the Operator.

The Port will assess Administrative Fees for each instance of the Operator's failure to perform pursuant to the Agreement. The Director at his/her sole discretion may elect to waive an assessment of Administrative Fees for a particular violation; however, that waiver shall not apply to prior or future violations.

OPERATIONS AND STAFFING

The Operator's Management Fee, Reimbursable Expenses and other amounts payable by the Port to the Operator ("Amounts Payable") will be reduced by two hundred and fifty dollars (\$250.00) each time one of the following performance violations occurs for each of the Operator personnel, per each shift:

1. Failing to maintain a neat personal appearance as determined by the dress code set forth by the Director or the Designee;
2. Failing to possess proper photo ID at all times while on Airport premises;
3. The use, possession or being under the influence of any alcoholic beverage or prohibited substance while operating a vehicle on Airport property;
4. Use of profane or vulgar language directed to or at the public, airport personnel, or those designated by the Airport to supervise operations;
5. Smoking, sleeping, eating or littering while on duty;
6. Any "clocking" in or out using another employee's card or identification;
7. Providing services or working for any other entity, including the Operator, other than providing the Services for the Port while on duty;
8. Managers or supervisors not available at the Port's request;
9. Managers or supervisors failing to meet minimum performance standards;
10. Solicitation of customers for sale of goods or services, or for tips or other unauthorized exchange of money;
11. Providing false information to customers;
12. Parking or picking up customer vehicles other than according to pickup and drop-off procedures or at any areas other than those designated by the Director or the Designee;
13. Leaving a vehicle unattended or parking a vehicle, except in parking and staging areas designated by the Port;
14. Failure to obey road signs, follow traffic rules and regulations or operate a vehicle in a safe manner as required by the California Vehicle Code and the Department of

- Transportation regulations as well as ordinances, the Oakland Municipal Code, and rules of the City of Oakland and the Airport;
15. Failure to follow other Airport rules and regulations; and
 16. Unauthorized solicitation for or sale of any product or service.

CUSTOMER COMPLAINTS

The Amounts Payable will be reduced by three hundred dollars (\$300.00) for each customer complaint that is not addressed or resolved in a manner reasonably acceptable to the Port within five (5) business days of receipt by Operator of the notice of such complaint.

NON-COMPLIANCE WITH PROCEDURES

The Amounts Payable will be reduced by two hundred and fifty dollars (\$250.00) per occurrence for the failure of the Operator to adhere to the procedures as set forth in the Operations and Procedures Manual as established pursuant to Exhibit I and approved by the Port.

FAILURE TO SUBMIT REPORTS IN A TIMELY MANNER

Operator acknowledges that it is required to submit periodic reports required under the Agreement and others as requested by the Director or the Designee. The Amounts Payable will be reduced by One Hundred Dollars (\$100.00) per day, per report, for each day such report(s) are late, or for each time such reports are submitted with material information missing or with material inaccuracies.

Required reports include, but are not limited to:

1. Monthly Parking Revenue and Expense Report pursuant to Section 6.5 and Exhibit E of the Agreement;
2. Monthly or Annual Activity Reports pursuant to Exhibits A-I, A-II and A-III;
3. Monthly Management Reports for Exhibits C-I, C-II and C-III and as required pursuant to Exhibit D;
4. Budget Reports, including Variance Analysis Statements, Payroll And Payroll Expenses Notifications required pursuant to Exhibit D;
5. Monthly Report of Reimbursable Expenses for reimbursement pursuant to the section titled "Reimbursement Process" in Exhibit D;
6. Employee Training Program Reports pursuant to Exhibit K;
7. Incident Reports pursuant to Exhibit L;
8. Inspection Reports;
9. Inventory Reports;
10. Unaccounted for vehicle reporting; and
11. Proposed budgets required pursuant to Exhibit D.

FINANCIAL

The Amounts Payable will be reduced by two hundred and fifty dollars (\$250.00) for each of the following:

1. overstatement of more than 2% of the sum which should properly have been reimbursed or paid to the Operator, for each invoice, report or bill which overcharges the Port, with such fines not to exceed \$500 per month;
2. any Monthly Revenue Report for the Parking Revenues completed pursuant to Section 6.5 of the Agreement that overstates/understates revenues actually collected; and is not reconcilable or balanced against the record of customer automobile count and records;
3. any error in the amount of Parking Revenues deposited, including credit card deposits that are not resolved within 30 calendar days;
4. per day for any failure to deposit any Revenues pursuant to Section 6 of the Agreement; and
5. any failure to provide verification or evidence that payments have been made of Reimbursable Expenses to the party noted on the bill, statement or report for such reimbursement.

ABANDONED VEHICLES AND LIEN SALES PROCESS

The Amounts Payable will be reduced by Five Hundred Dollars (\$500.00) per vehicle or an amount equal to the total loss of Parking Revenues, whichever is greater, if the Operator fails to adhere to all applicable Laws.

The Amounts Payable will be reduced by Five Hundred Dollars (\$500.00) per vehicle if vehicles handled through the lien sales process are purchased or acquired by Operator's employees or their relatives.

MISCELLANEOUS

The Amounts Payable will be reduced by the amount specified for each time one of the following performance failures occurs:

1. One Hundred Dollars (\$100.00) for each instance of failure to meet minimum performance standards;
2. Two Hundred Dollars (\$200.00) for each employee that does not complete required training program;
3. Five Hundred Dollars (\$500.00) per day for failure to maintain minimum staffing schedule;
4. One Hundred Dollars (\$100.00) per one-hour time increment, per incident, for failure to have tickets available and installed in each and every ticket-issuing machine when the ticketing machine warns that the ticket supply is low;
5. Three Hundred Dollars (\$300.00) for each instance of failure to conduct the nightly inventory completely and accurately, during periods that Port directs Operator to conduct such vehicle inventories;
6. One Hundred Dollars (\$100.00) for any discrepancies in the nightly inventory reconciliation without explanation acceptable to the Director or the Designee, per day;

7. Five Hundred Dollars (\$500.00) per occurrence for failure to staff any remote parking lots in a timely manner or within the parameters as specified by the Director or the Designee;
8. The total cost difference between the cost of tickets purchased on a non-rush basis versus tickets purchased on a rush basis which may require rush order costs for printing, shipping and handling.
9. Five Hundred Dollars (\$500.00) for each occurrence of the suspension of any service or the non-receipt or repossession of any product due to Operator's failure to pay invoices or bills subsequent to any reimbursement by the Port for such services or products;
10. Five Hundred Dollars (\$500.00) for any instance in which the Operator, or any person or agent acting on the Operator's behalf, exerts or attempts to exert improper influence, as defined in Section 30, in order to solicit or obtain Port contracts or to extend or prevent termination of this Agreement;
11. Five Hundred Dollars (\$500.00) for each occurrence of failure by Operator to maintain the Premises as set forth in Section 12, maintain the any Equipment provided by the Port, including the Office Equipment, as set forth in Sections 12.6 and 13 and Exhibits A-I, A-II and A-III, or provide custodial or janitorial services as set forth in Section 12.1 and Exhibit A-II;
12. Two Hundred Fifty Dollars (\$250.00) for each day that the Operator fails to provide the Port with an Audit Manual within thirty (30) days from the date of this Agreement, as required in Section 7.3 and Exhibit G;
13. Two Hundred Fifty Dollars (\$250.00) for each day the Operator fails to provide the Port with a functional Computer System within thirty (30) days from the date of this Agreement, as required in Section 7.7;
14. Two Hundred Fifty Dollars (\$250.00) for each day the Operator fails to provide the Port with an Operations Manual within thirty (30) days from the date of this Agreement, as required in Section 10.2 and Exhibit I;
15. Two Hundred Fifty Dollars (\$250.00) for each failure to report and each failure to prepare and submit a written report on any injury or loss to property as set forth in Section 10.3;
16. Two Hundred Fifty Dollars (\$250.00) for each day the Operator fails to provide the Port with a Training Manual within thirty (30) days from the date of this Agreement, as required in Section 11.1 and Exhibit K;
17. Two Hundred Fifty Dollars (\$250.00) for each day the Operator fails to provide the Port with a Public Relations Manual within thirty (30) days from the date of this Agreement, as required in Section 11.4 and Exhibit L;
18. Five Hundred Dollars (\$500.00) for each occurrence of the failure by Operator to return to the Port all Airport identification badges for each terminated employee within one business day of such termination; and
19. Two Hundred Fifty Dollars (\$250.00) for each occurrence of the failure by Operator to return to the Port all Airport parking cards for each terminated employee within three business days of such termination.
20. \$500 per day for failure to maintain insurance required under this Agreement.

21. Two Hundred Fifty Dollars (\$250.00) per day for each day that Operator fails to comply with any of its obligations under Section 11.2 of the Agreement.
22. One Hundred Dollars (\$100.00) per day for each day that Operator fails to comply with any of its obligations under this Agreement for which no other Administrative Fee is specified.

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EXHIBIT G

AUDITS AND AIRPORT REVIEWS

Maintenance and Audit of Books and Records

Operator shall maintain full, accurate and orderly books and records of its operations of the Services in accordance with the Agreement. Operator shall maintain complete and accurate books of account in a form and to a detail consistent with generally accepted accounting principles.

The books and records will show operational statistics including, without limitation, Parking revenues and all expenditures, with supporting receipts where appropriate, made by Operator under this Agreement

Operator agrees to retain all such books, records, reports, and supporting documents (e.g., tickets, journal tapes, invoices, dispensed and collected tickets, fee computer tapes and other automatically and manually generated parking lot revenue records) and to make them available to the Port for review and audit in accordance with the Agreement.

Internal Control and Daily Auditing

The Operator will follow internal cash control and auditing procedures approved by the Port and consistent with generally accepted accounting principals ("GAAP") and auditing standards. The Operator will carry out a comprehensive audit program of its cashiers and fee computer receipts. As a minimum the Operator will implement revolving audit procedures of each and every cashier.

The Operator will make recommendations to the Port regarding the use of the Port-supplied revenue control equipment and operation as it relates to improved revenue control capability and/or loss of integrity.

Audit Procedure Manual

The Port shall provide Operator with a copy of the audit procedures manual in the form currently being used in connection with the operation of the Parking Facilities. Operator shall develop its own Audit Procedures Manual ("Audit Manual") based upon its best judgement and best industry standards and shall provide a copy to the Director for review and approval within thirty (30) days from the date of this Agreement. The Operator will detail cash control and auditing procedures in the manual. The Audit Manual will describe the internal Primary and Secondary) auditing procedures to be conducted by the Operator's on-site operations staff and off-site administrative operations staff who are to be located at an off-Airport location such as the Operator's corporate or administrative headquarters, as these procedures apply specifically to the Parking Revenue and

use of the revenue control equipment. The Audit Manuals, including all revisions as approved by the Director or the Designee, will be incorporated into and made a part of this Agreement, subject to the provisions of Section 7.3 of the Agreement.

The frequency and scope of the internal Primary and Secondary audits will be described. Port staff will specify Operator's primary and secondary audit tables and responsibilities, which shall reflect the capabilities of the Port's parking revenue control system. The Audit Manual is to include a detailed and comprehensive list of Primary and Secondary audit check steps. Whenever changes are made in these procedures or when requested by the Port, Operator will provide the Port with a copy of revised or updated procedures.

Port Audit

The Operator is responsible to submit correct billing to the Port. During the Operating Term of this Agreement, the Port may audit all payments made by the Port as reimbursements for expenses pursuant to this Agreement. The Operator will immediately comply with procedures described in the Agreement.

Overbilling Repayment and Recovery Charges

If in any given month, the Operator submits a report, invoice or bill which overstates the actual expense to the Operator of a reimbursable expense or charges the Port for more than what should properly be charged to the Port pursuant to this Agreement and the Port makes such reimbursements or payments to the Operator in reliance on such report, invoice or bill, Operator shall immediately repay the Port in accordance with this Agreement.

The Port shall have the right to deduct such overpayment from any Amounts Payable, as defined in Exhibit F.

Independent Audit

The Port reserves the right to conduct its audits using the Port's audit staff or by contracting auditing services to a CPA company.

The Port reserves the right to an independent audit of revenue and expenses at any time and from time to time during the Operating Term of the Agreement. A final independent audit will occur after the expiration or earlier termination of this Agreement at the sole discretion of the Port.

If the Independent Audit discloses that the Port has overpaid the Operator, the Port will notify the Operator. Upon notice the Operator will immediately comply with the procedures for repayment of overcharges and recovery charges as described in the Agreement. In the event the Operator does not repay the Port, the Port may deduct the over charges and recovery charges from any Amounts Payable, as defined in Exhibit F, or exercise any other rights and remedies available to the Port under applicable Laws.

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT H

INTENTIONALLY OMITTED

**PORT OF OAKLAND
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EXHIBIT I

OPERATIONS AND PROCEDURES MANUAL INFORMATION

The Operator shall provide an Operations and Procedures Manual (“Operations Manual”) to the Port for the Port’s review and approval. The Operator shall develop the Operations Manual based upon its best judgment and provide the Operations Manual to the Director within thirty (30) days after the date of the Agreement.

Additionally, the Operations Manual will provide basic guidance on policies, practices, and procedures covering all aspects of the management and operation of the Services at the Airport, including but not limited to the standards of performance. This Operations Manual shall be kept current by the Operator throughout the Agreement, and shall be revised as approved by the Director or the Designee. The Operations Manual, including all revisions as approved by the Director or the Designee, will be incorporated into and made a part of this Agreement, subject to the provisions of Section 10.2 of the Agreement.

The purpose of this Exhibit is to provide structured information to assist in the development of the Operations Manual. However, this material is not all inclusive and shall not be construed to mean that only the topics included below need to be covered. The Operations Manual shall provide all information needed or desired for employee education on their duties and responsibilities established or directed in writing by the Operator including, but not limited to following items:

1. Standard of performance and evaluation criteria;
2. Operational overview;
3. Cash handling and revenue control procedures;
4. Other operational policies and procedures;
5. Organizational chart;
6. Position descriptions;
7. Personnel training and policies;
8. Two-way radio operations and communication etiquette
9. Administrative reports;
10. Financial, Auditing and accounting procedures (when applicable);
11. Home office information; and
12. Emergency procedures.

REVISIONS TO THE MANUAL

The provisions of the Operations Manual may be modified and revised as necessary to reflect changes in the operating environment. All Operations Manual revisions shall be subject to the

written approval of the Director or the Designee, prior to incorporation into the Operations Manual.

The Director or the Designee may propose a revision to the Operations Manual, and shall initiate an intended revision by sending such intended revision to the Operator. The Port and Operator shall review such intended revision as needed to accurately reflect the change(s) to the operating environment. All revisions to the Operations Manual proposed by the Director or the Designee and approved by the Operator shall be signed by both the Port and the Operator. Each revision to the Operations Manual shall have a revision number and date.

The current Operations Manual is attached. Operator may modify this manual as appropriate, with the written approval of the Director or the Designee. Operator shall submit proposed revisions to this manual within 30 days after the date of execution of this Agreement. The Operations Manual may undergo subsequent modification as circumstances dictate, with the written approval of the Director or the Designee.

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT J

PERSONNEL

PERSONNEL

Operator shall control the conduct, demeanor, and appearance of its agents and employees. Such agents and employees shall be trained by Operator to render a high degree of courteous and efficient service to the public, and it shall be the responsibility of Operator to maintain close supervision over such persons to assure the continuation of the highest standard of service. In providing the Services, Operator and its agents and employees shall not annoy, disturb, injure, harm or offend the general public, the tenants of the Airport or Port personnel. In addition, Operator shall address and resolve each customer complaint regarding the Services within five (5) business days of receipt by Operator of the notice of such complaint. If, in the opinion of the Director or the Designee, any such agent or employee of the Operator fails to conform to such standard of service, the Operator shall remove such agent or employee from the Services, the Parking Facilities and the Premises, and shall not reassign that person to any of the same without the written consent of the Director or the Designee.

Operator shall verify the right of all its employees to work in the United States in compliance with the requirements of the Immigration Reform and Control Act of 1986 and all other applicable laws, rules and regulations. Port reserves the right to inspect the Employment Eligibility Verification forms (Form I-9 OMB No. 1115-0236, or any revised version) completed by Operator's employees who are employed at the Airport. A list of the names and duty hours of each employee shall be supplied by the Operator to the Director on a weekly basis, and promptly updated when changes occur. The Operator shall inform all employees in writing upon hiring that their employment is concurrent with their respective collective bargaining agreement. However, their employment may terminate at the conclusion of this Agreement.

STAFFING

Operator shall hire qualified, competent, and experienced employees, who shall be subject at all times to the direction and control of Operator. Operator shall designate an employee as shift supervisor for each eight-hour work period. Operator shall submit the qualifications and experiences of all managers and supervisors to the Director. The Port retains the right of final approval in the selection of Operator's managers and supervisors.

The Operator will hire and retain employees as may be necessary to manage and operate the Services in a cost effective, efficient manner providing quality customer service. This provision will apply at all times during the Operating Term of the Agreement. The Port retains the right to

determine staffing levels and schedules based on operational needs. Operator shall make best efforts to attract, hire and retain high quality employees and to minimize employee turnover.

Operator shall establish and maintain a program for selection of employees assigned to the Parking Facilities and for monitoring their conduct that is reasonably calculated to preclude illegal acts and theft of Parking Revenues by Operator's employees and other persons directly or indirectly associated with the Services. Operator agrees that such program shall include, without limitation, provision for identification and exclusion of prospective and existing employees who have been convicted of theft by a court of competent jurisdiction.

Upon request by the Director or the Designee, the Operator shall provide a monthly employee roster and a weekly staffing schedule for the Services for his or her approval. Failure to provide such reports may result in the assessment of an Administrative Fee as specified in Exhibit F.

The Port shall have a right to review all of Operator's employees assigned to provide the Services. Port shall also have a right to request that Operator remove any employees from the Services at the Port's sole discretion. Upon request for removal from the Director or the Designee, Operator will replace such employee if necessary to maintain the Services to meet the demand typical for such shift.

For holidays, special events and other situations, the Port may request and the Operator will provide and supervise, additional staff as may be needed in addition to the staffing plan approved by the Director or the Designee. The Operator will respond to the Port's request within seven (7) calendar days or sooner.

Unless otherwise agreed to by the Director or the Designee, the Operator shall select and appoint one General Manager, one Assistant General Manager, one Finance Manager, one Audit Manager, one Marketing Coordinator and operation Supervisors whose only responsibility shall be the management of the Services at the Airport. Operator shall submit the qualifications and experiences of all Manager(s) and Supervisor(s) to the Director or the Designee.

General Manager

The General Manager shall be in complete charge of the Operator's operations at the Airport and shall be a qualified and experienced Manager vested with full power and authority with respect to the conduct of the Operator's operation under the Agreement. The General Manager will be assigned exclusively as the full time, on-site person in charge of the Parking Facilities and the Services. The General Manager will have no other duties beyond supervision of the Parking Facilities and the Services. The General Manager will not be assigned by the Operator to oversee any other facility as long as he or she is serving as the General Manager under this Agreement. The Port retains the rights of final approval in the selection of the Operator's General Manager. The General Manager will be on site to assume responsibility beginning on the Commencement Date. The General Manager shall be ordinarily available during regular business hours (i.e., Monday through Friday 8:00 a.m. to 5:00 p.m. and will be on-call to assist in emergencies and/or be available at other times to oversee every aspect of the parking operation). The General

Manager will be expected to vary his or her work hours from time to time in order to observe, be familiar with, and adequately supervise all shifts of the 24 hour, 7 days per week operation.

The General Manager must be a highly qualified and experienced Manager who has at least two (2) years experience in operating a totally computerized, on-line parking system with a minimum, annual operation as follows:

- 6,500 spaces
- surface or structure facility
- \$15 million in annual gross revenues
- 7 day, 24 hour operations
- multi-shift operations having 50 or more employees

Specifically, the General Manager's responsibilities and duties will include but not limited to the following, consistent with corporate policy and the requirement of this Agreement:

1. Provide pro-active and innovative management that continually monitors the operations and recommends short and long term modifications to improve customer service and build a quality image for the Port.
2. Plan, organize, direct and control all work required for operating the parking facilities.
3. Maintain close communication and cooperating with Airport staff on day to day operational issues and problems.
4. Ensure compliance and adherence to established Airport policies, procedures, rules, regulations and contractual requirements.
5. Maintain close communication and cooperation with Airport Finance/Business staff on matters of revenue control, accountability and other financial related issues.
6. Maintain close communication and cooperation with Airport Police/Security on security and enforcement related issues including traffic control.
7. Prepare, justify and control operating budget as specified under terms of the Agreement.
8. Coordinate recruitment, selection, training and evaluation of employees providing the Services.
9. Review and authorize all reports prior to submittal to Corporate and Airport staff.
10. Authorize and approve the purchase of services, materials and supplies associated with the provision of the Services.
11. Maintain close communication and cooperation with Parking Revenue Control System ("PARCS") maintenance staff; and cooperate with PARCS and Port staff to ensure ongoing integrity of the Parking Revenue Control System and PCI-DSS compliance.
12. Conduct periodic inspections to observe and evaluate staff performance and obtain customer feedback of overall operation.

13. Analyze and recommend operational changes to improve overall efficiency and customer services.

Assistant General Manager

Under the direction of the General Manager, the Assistant General Manager provides direct oversight of the day-to-day Services at the Airport. Listed below are major duties and responsibilities for this position:

1. Recruit, select, train and evaluate staff.
2. Maintain personnel files for each employee.
3. Coordinate Employee of the Month Program.
4. Review employee timecard and maintain records for employee sick leave and vacation usage.
5. Prepare daily work schedule and coordinate shift bids as necessary.
6. Provide direct oversight for supervisory staff, ensuring adherence to established policies, procedures, rules, regulations and contractual requirements.
7. Review reports and take action to ensure accuracy and timely submittals.
8. Assist in developing recommendations for improving overall services.
9. Maintain close communication and cooperation with Airport staff.
10. Assist in the preparation of operating budget.
11. Maintain and promote exceptional customer services at all times.
12. Assumes responsibility of General Manager in his/her absence.

Finance Manager

The Finance Manager shall be in complete charge of the entire financial division associated with the Operator's operations at the Airport. The Finance Manager will be assigned exclusively as the full time, on-site person in charge of the financial division for the Services. The Finance Manager will not be assigned by the Operator to oversee any other facility as long as he or she is serving as the Finance Manager under this Agreement. The Port retains the right of final approval in the selection of the Operator's Finance Manager.

The Finance Manager will be on site to assume full responsibility beginning on the Commencement Date. The Finance Manager shall be ordinarily available during regular business hours (i.e. Monday through Friday, 8:00 a.m. to 5:00 p.m.).

The Finance Manager must be a highly qualified and experienced manager who has the knowledge, skills, education and experience to perform the duties of the position as determined by the Port; and is knowledgeable in operating a computerized, on-line parking system with a minimum, annual operation of :

- 6,500 spaces
- surface or structural facilities
- \$15 million in annual gross revenues
- 7-day, 24-hour operations
- multi-shift operations having 50 or more employees

The Finance Manager's responsibilities and duties will include but not be limited to the following, consistent with corporate policy and the requirements of this Agreement:

- To assure that all Port established parking charges and fees are collected.
- To develop and implement procedures to assure that all Parking Revenues, receipts and funds collected are safeguarded against theft.
- Maintain full, accurate, and orderly books and records of the Services.
- Develop, as necessary, all forms and reports for use in the financial aspect of the parking operations, subject to Port approval, for such items as cashier report, validation report, budget report and other forms that are deemed necessary to facilitate efficient financial management of the Services.
- Be proficient in the use of the revenue control equipment and fully understand its capabilities.
- Monitor the function and accuracy of the revenue control system.
- Be fully knowledgeable about the basic reporting software for the revenue control system.
- To assure all Parking Revenues and parking receipts collected are deposited daily according to procedures.
- To carry out a comprehensive audit program, consistent with generally accepted accounting principals and auditing standards, of internal cash control and Operator's cashiers as specified in Exhibit G.
- Prepare and submit monthly management and statistical reports specified in Exhibit C.
- Be responsible to prepare, review, and revise and to sign all schedules, reports and forms or other required documents used in all aspects of the Airport parking operation.
- Provide pro-active and innovative management that continually monitors the financial aspect of the operations and makes recommendations regarding the revenue control equipment and operations as it relates to improved revenue control capability and/or loss of integrity.

Audit Manager

Summary

Provides supervision with overall responsibility for supervision of Audit staff covering a variety of audit, analytical and documentary skills while conducting audits and projects. Incumbent plans, organizes, supervises, reviews and evaluates work performed by staff; instructing others in work procedures; preparing clear and concise reports, correspondence and other written materials; using initiative and independent judgment within established procedural guidelines; working without close supervision in standard work situations; contributing effectively to the accomplishment of team or work unit goals, objectives and activities. Key tasks include:

- Participates as a member of the Audit Services management team in the oversight of site-specific revenue and expense auditing based on client and corporate policy, goals and procedures.
- Provides direct supervision and oversight to provide qualifying audit experiences to meet contractual requirements.
- Participates or directs projects involving all departments and/or affiliated operating businesses to identify opportunities to improve existing processes.
- Works on audits, process improvement projects and internal and business control projects at all levels of management.
- Directs subordinates in research projects, formulates audit plans, test procedures, and supporting schedules.
- Participates in recruiting activities.
- Develops or approves recommendations to change systems, policies, and procedures; ensures timely and accurate implementation.
- Plans manpower requirements.

Marketing Coordinator (compensation not included in Management Fee)

Operator shall develop, execute and manage Airport Parking Marketing program that is consistent with Port Strategic goals and contract goals. Key specific responsibilities include:

- Assess, report and provide strategy on local and national competitive environment
- Design, execute and manage parking market research and corresponding promotional programs, marketing campaigns and initiatives
- Identify new business opportunities and develop plans to secure new business and expand market share
- Monitor and report on the effectiveness of executed marketing programs, and on sales leads
- Establish and secure corporate client accounts and other “Loyalty” membership programs including a Frequent Parker program for individuals. Build partnerships with airlines and implement Airport Parking Marketing strategies and tactics developed in conjunction with Port staff.

- Establish and maintain relationships with travel agencies, airlines and other partners
- Manage accounts and retain customers through a high level of service and provide customer support and care quickly resolve customer issues and provide positive public relations feedback
- Represent the Airport line of parking business at local, industry events to grow airport parking demand and revenue

General Manager, Assistant General Manager, Finance Manager, Audit Manager and Marketing Coordinator Performance Standards

To assure quality service and a stable level of operations, the General Manager, the Assistant General Manager, the Audit Manager, Finance Manager and the Marketing Coordinator are expected to capably fulfill the responsibilities and duties described in this Agreement.

Operation Supervisors

Under the direction of the General Manager, Operation Supervisors provide day to day supervisory support for the overall operation of the Services.

EMPLOYEE REQUIREMENTS

All of Operator's employees shall possess satisfactory work qualifications and experience with respect to their areas of responsibility.

Operator shall conduct California Department of Motor Vehicles ("DMV") checks on all personnel having assignments which include driving responsibilities. Any employees assigned to jobs with driving responsibilities must possess and maintain a valid California driver's license for the duration of the job assignment. The Operator shall verify the procurement and continuing validity of such licenses at all times. Operator agrees that all of Operator's employees with driving responsibilities shall be duly trained and qualified to operator a motor vehicle. DMV printouts shall be kept on file and updated every three months.

Subject to requirements of Law, Operator shall not employ a shift supervisor or parking attendant who (a) has more than one moving violation conviction or accident within the immediately preceding two year period or (b) has any DUI violation within the immediately preceding two year period.

All employees, while on or about the Airport and acting within the course and scope of employment by Operator, shall be clean, neat in appearance, and uniformly attired, and shall behave courteously. No such personnel shall use improper language or act in a loud, offensive, or otherwise improper manner. Operator shall act to prevent the wrongful acts and omissions of its employees on or about the Airport. Operator shall control the conduct, demeanor and appearance

of its agents, employees, and officers at the Airport. Operator shall act to prevent its employees from violating any of the following:

1. Failing to maintain a neat personal appearance as determined by the dress code set forth by the Director or the Designee;
2. Failing to possess proper photo ID at all times while on Airport premises;
3. The use, possession or being under the influence of any alcoholic beverage or prohibited substance while operating a vehicle on Airport property;
4. Use of profane or vulgar language directed to or at the public, airport personnel, or those designated by the Airport to supervise operations;
5. Smoking, sleeping, eating or littering while on duty;
6. Any "clocking" in or out using another employee's card or identification;
7. Providing services or working for any other entity, including the Operator, other than providing the Services for the Port while on duty;
8. Managers or supervisors not available at the Port's request;
9. Solicitation of customers for sale of goods or services, or for tips or other unauthorized exchange of money;
10. Providing false information to customers;
11. Parking or picking up customer vehicles other than according to pickup and drop-off procedures or at any areas other than those designated by the Director or the Designee;
12. Leaving a vehicle unattended or parking a vehicle, except in parking and staging areas designated by the Port;
13. Failure to obey road signs, follow traffic rules and regulations or operate a vehicle in a safe manner as required by the California Vehicle Code and the Department of Transportation regulations as well as ordinances, the Oakland Municipal Code, and rules of the City of Oakland and the Airport;
14. Failure to follow other Airport rules and regulations;
15. Unauthorized solicitation for or sale of any product or service; and
16. Managers or supervisors failing to meet minimum performance standards.

All Operator's employees shall be able to understand written and oral instructions in English, to communicate commands, directions and customer information in English, and to interact in a professional and courteous manner with Airport staff, customers and other users of the Airport.

PERSONNEL RECORDS

The Operator shall keep at the Premises for examination by the Port accurate and detailed records on personnel and staffing involved in providing the Services. For each of Operator's employees this shall include, but not be limited to, name and address, date of hire, salary and benefits paid, employee timecards, payment receipts and other payroll records, training received, and performance reviews. (Notwithstanding the foregoing, the Port shall have no right to inspect any information in personnel records that it would be unlawful for Operator to share with the Port.) These records shall be maintained and made available to Port upon request for the Operating Term of this Agreement and thereafter for three additional years; provided, however, that if prior to the expiration of such three (3) year period, any audit, review or investigation is commenced

by the Port, or any claim is made or litigation is commenced relating to this Agreement by the Port or the Operator, such records shall continue to be maintained by Operator, and Port shall continue to have the right to inspect and copy such records until the audit, claim or litigation is finally resolved (including the determination of any and all appeals or the expiration of time for an appeal).

TRAINING

Prior to the Commencement Date, Operator shall cause all of its parking ambassadors, cashiers, managers and supervisors who are to be involved in providing the Services to attend a training program, and all Operator's employees subsequently employed by Operator during the term hereof to provide the Services shall also attend such a program. This program shall be for the purpose of orientation and trial operation of the Services. The program content shall be subject to review and approval by the Director or the Designee and shall comply with all of the requirements of Exhibit K to the Agreement. System requirements, operating characteristics, customer service, work specifications and performance standard operating procedures and an employee disciplinary code shall be more specifically set forth in Operator's Operations Manual which shall be prepared by Operator and delivered to the Director or the Designee in accordance with Section 10.2 of the Agreement.

Operator shall provide on-going training on a semi-annual basis to its employees with respect to public relations, driver safety, and other operations and safety procedures.

EMPLOYEE UNIFORMS

Employees must be uniformed and must wear nametags at all times while on duty. The administrative office personnel shall not be required to wear a uniform or nametag unless otherwise required by the Operator. Uniform standards shall be as specifically approved by the Director or the Designee. The Director or the Designee shall approve the uniforms and any subsequent modifications to them before Operator may permit its employees to use them. All uniforms for employees providing Parking Services shall be obtained by the Operator at the Port's expense pursuant to Section 11.3 of the Agreement. Operator's personnel shall present a neat and clean appearance at all times. Shirts and blouses shall all be the same color and style and have a company identification patch sewn on. Each employee shall wear in plain view an employee identification number and/or name tag. Operator's employees shall carry a photograph or other identification badge issued by Port or as otherwise required by law. In addition, a company photo identification badge shall be issued and worn in view of the customer. No head gear (hats) shall be worn with the uniform unless approved by the Director or the Designee. All uniforms shall be clean and without tears or holes or excessive unsightly repairs.

Port shall reimburse Operator for the actual and reasonable cost to maintain such employee uniforms, but shall not reimburse Operator for replacement uniforms more frequently than once every twelve (12) months. If uniforms fail to meet the requirement of the Port due to the negligence of the Operator, the Port at its option, may elect to do the following: purchase new

uniforms for Operator's employees or provide for a cleaning and pressing service, and deduct those related expenses from Amounts Payable.

TIME CLOCKS AND BREAKS

The Port has installed a computerized time clock or similar device ("Time Clock") to record the time each employee employed at the Airport by the Operator reports to duty, takes breaks and leaves work, which record must be maintained by Operator. The Port will make the final decision regarding Time Clock placement. The Operator shall be responsible for the cost of maintenance and replacement of the Time Clock.

TIPS

Operator's premier parking ambassadors shall not solicit tips from premier parking customers, but they may receive same without breach of this Agreement if tips are voluntarily offered. All other Operator's employees, including the Services cashiers and supervisors, shall neither solicit tips nor accept tips from customers. A violation of this provision will result in an Administrative Fee as stated in Exhibit F.

NO SOLICITATION

Operator and/or its employees shall not engage in the sale of any product or service, or the solicitation of such sale, at the Airport except as expressly authorized by written permission signed by the Director or the Designee. A violation of this provision will result in an Administrative Fee as stated in Exhibit F.

DRUG AND SUBSTANCE ABUSE TESTING

Operator will maintain a drug-free workplace. The Operator shall institute a mandatory random drug and substance abuse testing program for all personnel assigned to provide the Services. The Operator shall retain the expert services of a local, certified and licensed testing facility. All tests will be done at the Premises at the Airport. The program must be in place within 60 days from the date of this Agreement and maintained in force thereafter, throughout the entire Operating Term of this Agreement. Since driving a vehicle or being a supervisor is a safety sensitive position, Operator will promptly remove any employee who fails any such test from its roster of drivers and supervisors providing the Services at least until the employee successfully completes a substance abuse program approved by the Port.

TERMINATION OF EMPLOYEE

Upon termination of any employee, Operator shall be responsible for returning to Port any Airport identification badges and any Airport parking cards within 24 hours of such termination. Failure to return such items to the Port will result in the assessment of an Administrative Fee as specified in Exhibit F. In addition, Operator shall pay Port \$25 per item to replace any lost Airport identification badges or Airport parking cards.

EMPLOYEE PARKING

Employee parking shall be provided by the Port. Parking for the Operator's employees will be in a designated Employee Parking Lot or other area designated by the Port. Employees are to park in this area only, unless other provisions are arranged by the Port. The Port does not currently charge for employee parking. However, on at least thirty (30) days prior written notice to the Operator, the Port may impose a charge for employee parking during the Operating Term of this Agreement. The cost, if any, of employee parking shall be paid for by the Operator or the employee, at the discretion of the Operator, and shall not be a Reimbursable Expense. Only one parking permit will be issued to each employee providing the Services.

**PORT OF OAKLAND
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EXHIBIT K

TRAINING MANUAL INFORMATION

The Operator will ensure that all employees are fully trained for their duties. The Operator will establish a formal employee training program specific to the Services. The program content shall be subject to review and approval by the Director or the Designee. Operator will provide scheduled on-going training on a semi-annual basis to its employees in safety, on-the-job behavior requirements, conduct, operational rules, proper dress and employee attitude, public relations, driver safety and other operations and safety procedures.

TRAINING MANUAL

The Operator shall provide a Training Manual to the Port for the Port's review and approval. The Operator shall develop the Training Manual based upon its best judgment and provide the Training Manual to the Director for Port review and approval within thirty (30) days after the date of this Agreement. The Training Manual, including all revisions as approved by the Director or the Designee, will be incorporated into and made a part of this Agreement, subject to the provisions of Section 11.1 of the Agreement.

GENERAL TRAINING REQUIREMENTS

The purpose of this Exhibit is to provide an outline of training areas to assist in the development of the Services training program ("Training Program"). However, this material is not all inclusive and shall not be construed to mean that only tasks included below need to be covered. It will be the Operator's responsibility to certify to the completion of each training area. A copy of all such certifications will be kept on file at the Premises and made available to the Port, upon request.

The Training Program shall have its goal to train each attendant, cashier and supervisor in the following general areas:

1. Duties and functions of an ambassador, cashier or supervisor,
2. Premier Parking Services procedures,
3. Parking Services procedures,
4. Report writing,
5. Public relations,
6. Traffic law and regulations control,
7. Civil disturbance procedures,
8. Safety procedures,
9. Telephone and radio communications,

10. Medical emergency response.

HUMAN RESOURCES REQUIREMENTS

Operator shall issue and show to each of its employees assigned to the Airport the following:

1. Employee Handbook,
2. Drug Free Work Place Policy,
3. Non Discrimination and Harassment Policy,
4. Conduct and customer service standards,
5. Personal appearance and dress requirements, and
6. Employee safety requirements.

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OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT L

PUBLIC RELATIONS PROCEDURES MANUAL INFORMATION

Operator shall maintain the highest degree of operating standards, and provide, manage and operate the Services in a safe, efficient, competent and courteous manner, so as not to annoy, disturb, injure, harm or offend the general public, the tenants of the Airport and Port personnel.

The Operator shall provide a Public Relations Manual to the Port for the Port's review and approval. The Public Relations Manual shall be developed by the Operator based upon its best judgment and provided to the Director within thirty (30) days after the date of this Agreement. The Public Relations Manual, including all revisions as approved by the Director or the Designee, will be incorporated into and made a part of this Agreement, subject to the provisions of Section 11.4 of the Agreement.

Unless otherwise specified by the Director or the Designee, Operator shall handle customer claims and disputes as follows:

1. All claims against Operator for personal injury or property damage will be sent within twenty-four (24) hours to Operator's insurance carrier for adjustment.
2. The Operator shall inform Airport assigned Police and Airport Parking Superintendent or Airport Business Manager or Designee immediately of such claims for personal injury or property damage.
3. Operator shall prepare a report of such claim and shall send a copy of such report to the Director or Designee within twenty-four (24) hours.
4. Whenever Operator's personnel observe a crime against persons or property, acts of damage, vandalism or collision of any vehicle on Airport property Operator shall immediately notify Airport assigned Police and shall prepare an incident report which report shall be sent to the Airport Business Manager or his or her designee within twenty-four (24) hours from the date of the incident.
5. Operator shall refer parties to, victims of or witnesses to any crime, accident or vandalism to Airport assigned police.
6. All customer claims and disputes will be administered by Operators' management personnel only.

7. All customer complaints shall be answered in writing within five business days of receipt. All other customer correspondence shall be answered in writing in an expeditious manner.
8. Copies of all customer correspondence and operator's response thereto shall be promptly forwarded to the Airport Parking Superintendent or Designee for his/her information.

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EXHIBIT M

INSURANCE REQUIREMENTS

Operator shall procure and maintain during the Operating Term insurance against claims for injuries to persons or damages to property which may arise on the Premises, the Parking Facilities or at any other location within the Airport from or in connection with the performance of the Services hereunder by the Operator, its agents, representatives, employees or subcontractors.

MINIMUM SCOPE AND LIMITS OF INSURANCE

Coverage to be maintained by Operator shall have limits of no less than:

1. Commercial General Liability: Subject to a limit of Ten Million Dollars (\$10,000,000) combined single limit per occurrence and annual aggregate, including coverage for bodily injury and property damage including contractual liability, products and completed operations, broad form property damage, personal injury, advertising injury and independent contractors;
2. Business Automobile Liability for all owned, non-owned and hired vehicles: Subject to a limit of Two Million Dollars (\$2,000,000) combined single limit, each accident, for bodily injury and property damage for all owned, non-owned and hired vehicles (subject to ISO form number CA 0001 (Ed. 6/92) covering Automobile Liability, Code 1, "Any Auto);
3. Workers' Compensation and Employers Liability: Workers' Compensation limits as required by the Labor Code of the State of California and Employers Liability limits of One Million Dollars (\$1,000,000) per accident for bodily injury or disease;
4. Fidelity/Crime Bond shall be obtained in an amount not less than Five Hundred Thousand Dollars (\$500,000), with a deductible not to exceed \$25,000 per loss, payment of which shall be the obligation of the Operator, and shall be a blanket bond covering all employees. The Fidelity/Crime Blanket Bond shall also include the Port as Loss Payee and comply with the specifications as set forth in Section 17.1 of the Agreement; and
5. Garagekeepers Legal Liability (including Valet Parking, if applicable) for no less than Two Million Five Hundred Thousand Dollars (\$2,500,000) comprehensive coverage for each occurrence with a per vehicle limit of One Hundred Thousand Dollars (\$100,000) per loss at each location and Five Million Dollars (\$5,000,000) policy aggregate.

6. Builders' Risk Insurance is required for projects involving construction in an amount equal to one hundred percent (100%) of the replacement cost of the construction, covering the entire work, including all materials and equipment stored at the site and offsite for incorporation into the work, and additionally including such property in transit. Such insurance shall insure against "all risk" or "special form" perils including risks from any and all testing of equipment and providing coverage for earthquakes and terrorism. Such insurance shall be extended to cover soft costs incurred during any delayed completion period covered by an insured peril for a period of not less than two (2) years. Such insurance shall include the City of Oakland, a municipal corporation, acting by and through its Board of Port Commissioners as additional insured and loss payee; such insurance also shall contain a waiver of subrogation in favor of such additional insured, and shall be primary insurance; no insurance or self-insurance of the Port shall be called upon to contribute to a loss.

OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability, Business Automobile Liability Coverage and Garagekeepers Legal Liability coverages described above shall include provisions that:
 - a) the City of Oakland, a municipal corporation, acting by and through its Board of Port Commissioners, "Port of Oakland", its agents, employees, commissioners and officers are included as additional insured's, by endorsement, with respect to any liability arising out of activities performed by or on behalf of Operator, products and completed operations of Operator; premises owned, leased or used by Operator, the Parking Facilities or other locations from which the Services are provided, or automobiles owned, leased, hired or borrowed or used by Operator; all without special limitations on the scope of protection afforded to Port, its agents, contractors, employees, commissioners and officers and that coverage includes a cross liability/separation of insureds provision;
 - b) the insurance is the primary insurance, without any obligation of any other insurance provided to the Port, its agents, employees, commissioners and officers or any insurance or self insurance maintained by Port, its agents, employees, commissioners and officers (including any self-insured retention or deductible) to contribute, share or split pro rata any liability covered by the Operator's insurance, which other insurance or self-insurance shall be excess insurance only;

ACCEPTABILITY OF INSURERS

Insurance shall be placed with insurers that are acceptable to the Risk Manager of the Port (such insurers shall have a rating from A.M. Best of at least A VII).

DEDUCTIBLES OR SELF-INSURED RETENTIONS

For all required insurance, deductibles or self-insured retentions may not exceed Twenty-Five Thousand Dollars (\$25,000), unless approved by the Port Risk Management Department.

In the event the Operator has any deductibles or self-insured retentions, other than as specified herein, must be declared to and approved by the Port's Risk Manager. At the option of the Port, either (a) the insurer shall reduce or eliminate such deductible with respect to coverage of the Port, its agents, employees and officers or (b) Operator shall procure a bond, or other form of payment guarantee, including but not limited to, a letter of credit in a form approved by the Director or the Port's Landside Operations Manager, guaranteeing payment of losses and related investigations, claims administration, and defense expenses in an amount specified by the Port.

RELEASE AND WAIVER

Operator waives all right of recovery and causes of action against, and releases, the City of Oakland, a municipal corporation, acting by and through its Board of Port Commissioners, "Port of Oakland", its agents, employees, commissioners and officers, to the extent any claim, loss, damage or expense is covered by any insurance or self insurance required by this Agreement, or which would have been covered had the insurance obligations in the Agreement been complied with. Further, the Operator shall obtain endorsements from its insurance carriers evidencing that the insurance carriers waive any right of subrogation or recovery that the insurer may have against the City of Oakland, a municipal corporation, acting by and through its Board of Port Commissioners, "Port of Oakland", its agents, employees, commissioners and officers. Operator shall require all of its Contractors, Subcontractors and Consultants to maintain similar waivers in favor of such parties.

CANCELLATION OR REDUCTION OF COVERAGE

The Operator or its agent shall provide at least thirty (30) days' prior written notice to Port (except ten (10) days prior written notice shall be allowed for non-payment of premium) in the event any of the above required insurance is suspended, voided, canceled, or reduced in coverage or in limits.

If Operator fails to provide the required insurance certificates and policies, that shall constitute an event of default under the Agreement and the Port may without further notice and, at its option, (1) exercise the Port's rights under the terms of the Agreement or any other rights available to the Port; (2) procure such insurance coverage at Operator's expense and Operator shall promptly reimburse the Port for such expense and (3) interrupt or limit Operator's operations or occupancy.

PROOF OF COVERAGE

Prior to commencing the services under this Agreement and annually thereafter, Operator shall furnish a certificate of insurance, satisfactory to the Port of Oakland Risk Management Department, evidencing that the above insurance is in force in compliance with the terms of these insurance requirements, placed with insurance carriers financially acceptable to the Port, stating the name(s) of the insurance carriers, policy numbers, dates of expiration and limits of liability.

In addition to the certificate of insurance, Operator shall provide the Port of Oakland with copies of the actual insurance policies if requested by the Port of Oakland at any time. The Port reserves the right to approve or disapprove of any deductible or self-insured retention under any insurance required by the Agreement.

Written binders may be acceptable as interim evidence of insurance. Send certificates to:

Port of Oakland
Attn: Risk Management Department Fax #: 510-627-1626
530 Water Street
Oakland, CA 94607

REVIEW OF COVERAGE

Compliance with insurance requirements shall be subject to annual review by the Risk Manager of the Port. If the Risk Manager requires any change in coverage, Operator will be so advised in writing by Port and Operator shall comply with the conditions of change within 30 days of the date of receipt of such notice.

SUBCONTRACTORS

Operator shall include all subcontractors as insured under its policies or shall obtain separate certificates of endorsement for each subcontractor.

INSURANCE PREMIUMS

The cost of the above required insurance, with the exception of workers' compensation, is included in the Management Fee and payment of the actual cost of such insurance shall be the sole responsibility of the Operator. The Port shall only reimburse premiums for workers' compensation insurance that do not exceed Operator's actual Payroll Expenses multiplied by the Workers Compensation Rate proposed by Operator in its Proposal.

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT N

WORKERS' COMPENSATION; PAYROLL TAX REIMBURSEMENT

PAYROLL EXPENSE REIMBURSEMENT

The Port shall reimburse the Operator for salaries and corresponding payroll taxes, and contributions for unemployment insurance and workers' compensation policy premium ("Payroll Expense(s)") based on monthly payroll costs to the Operator for actual services performed pursuant to the Agreement, net of unauthorized overtime pay ("Authorized Payroll"). The Authorized Payroll and the corresponding Payroll Expenses shall be reported on the Operator's Monthly Report of actual expenses required pursuant to Exhibit C and Exhibit D of the Agreement and the Port shall reimburse such expenses pursuant to procedures in Exhibit D, subject to the limitations in the Agreement.

UNEMPLOYMENT INSURANCE (FUTA, SUI)

Operator shall submit notice of any increase or decrease in federal or state unemployment insurance rates to Port. All such notices must accompany requested adjustments in reimbursement of premiums.

WORKERS' COMPENSATION INSURANCE

No later than the Commencement Date, Operator shall provide to Port evidence and terms of a current worker's compensation policy covering Operator's employees assigned to the Port. The Operator must disclose the experience modification and specify if the policy is a non-participating, participating or retrospective policy.

The Port shall only reimburse premiums for workers' compensation insurance that do not exceed Operator's actual Payroll Expenses multiplied by the Workers Compensation Rate proposed by Operator in its Proposal. This rate will be fixed throughout the term of the Agreement.

REQUIRED REPORTING – PAYROLL TAXES

A quarterly payroll reconciliation report which includes the amounts billed to the Port as payroll for a calendar quarter and the amount reported to the State of California as gross wages on the Quarterly Wage and Withholding Report Form EDD DE 9. Operator shall provide a detailed explanation of any differences between the amounts billed to the Port and the amount reported as gross wages on Form EDD DE 9. Operator will provide a copy of Form EDD DE 9 as part of this reconciliation. Such reconciliation report shall be submitted not later than forty-five (45) days after the end of such calendar year quarter, and failure to submit or late submission will be

subject to the assessment of an Administrative Fee pursuant to Exhibit F of the Agreement. If other entities are included in these reports, Operator shall provide a reconciliation.

OVERPAYMENT AND OVERBILLING

Port reserves the right to reasonably dispute all payroll and Payroll Expense reimbursements and requests. If the Port determines, in its reasonable discretion, that any payroll and Payroll Expenses reimbursed to the Operator or any reimbursement for such expenses requested by the Operator is more than the Authorized Payroll and its corresponding Payroll Expenses, the Port may withhold the difference between the payroll amount reimbursed or requested to be reimbursed and the proper Authorized Payroll amount, plus fifty percent (50%) of such amount, which shall represent the estimated excess Payroll Expenses reimbursement. The Port may (in its sole discretion) withhold such overpayment or overbilling amount from (a) the Management Fee, (b) any future payroll and Payroll Expense reimbursement amounts or (c) any Reimbursable Expenses or other amounts the Port shall be obligated to pay the Operator.

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT O

FORM OF PERFORMANCE BOND

_____, a corporation, organized under the laws of _____ (hereinafter called the "Principal"), and _____ a corporation of the State of _____ which is licensed to do business in the State of California (hereinafter referred to as the "Surety"), are held and firmly bound unto the Port of Oakland acting by and through its Board of Port Commissioners (hereinafter called the "Port") in the full and just sum of Six Hundred Thousand Dollars (\$600,000) (the "Sum") covering the Operating Term of the Agreement for Airport Parking Management Services between the Principal and the Port dated _____, 2017 (the "Agreement"), to the payment of which Sum and truly to be made, the said Principal and Surety bind themselves, their heirs, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, under the terms of the Agreement, the Principal shall provide the Services and perform all of its other obligations at the Metropolitan Oakland International Airport, as described in the Agreement, and the Agreement is hereby incorporated herein by reference and made a part hereof;

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH that if the Principal shall well and truly keep, do and perform, each and every, all and singular, the matters and things in said Agreement relating to the Services or other obligations set forth and specified to be by the Principal kept, done and performed at the time and in the manner specified in said Agreement, and the Principal shall pay over, make good, and reimburse to the Port, all sums required by it to be paid, and all loss and damage (including reasonable attorneys' fees) which the Port may sustain by reason of any failure or default on the part of the Principal relating to the Services or Principal's other obligations, then this obligation shall be void; otherwise it shall remain in full force and effect.

In the event that the Principal shall default in any of the terms, covenants and conditions of the Agreement during the period in which this Performance Bond is in effect, the Surety shall remain liable to the Port beyond the date of the expiration hereof for all sums provided for in the Agreement relating to the Services or Principal's other obligations remaining unpaid as of the date of expiration of this Performance Bond and for all loss or damage (including reasonable attorneys' fees) resulting from such default up to the amount of the Sum.

In the event that Principal becomes a debtor under any chapter of the Federal bankruptcy laws, or becomes subject to any other statute providing for the recovery of transfers of payments or property, the obligations of the Surety hereunder shall include the obligation to reimburse the

Port for any transfers or payments under the Agreement relating to the Services or Principal's other obligations made by Principal to the Port prior to the commencement of such proceedings to the extent that such transfers or payments are voided and recovered from the Port by Principal, or by a creditor of Principal, or by a trustee, receiver, custodian or similar official appointed for Principal or for substantially all of Principal's assets. Provided, however, that the obligations set forth in the preceding sentence shall be reduced pro tanto upon: (1) the entry of a final, non-appealable order of a court of competent jurisdiction permitting the Port to retain all or any portion of such transfers or payments; (2) the execution of an agreement and approval thereof (if in the reasonable exercise of the Port's judgment such approval is necessary) by a final non-appealable order of a court of competent jurisdiction permitting the Port to retain all or any portion of such transfers or payments; or (3) the expiration of the applicable statute of limitations with respect to the avoidance and recovery of such transfers or payments without any claim therefore having been made against the Port.

In the event the Surety fails to fulfill its obligations under this Performance Bond, then the Surety shall also indemnify and save the Port harmless from any and all loss, damage, cost, and expense (including reasonable attorneys' fees) arising from or in connection with the enforcing of the Surety's obligations hereunder. This paragraph shall survive the expiration of this Performance Bond.

The Surety's obligations hereunder shall remain in full force and effect notwithstanding (i) amendments or modifications to the Agreement entered into by the Port and Principal without the Surety's knowledge or consent, (ii) waivers of compliance with, or of any default under, the Agreement granted by the Port to the Principal without the Surety's knowledge or consent, or (iii) the rejection of the Agreement and the discharge of Principal from its obligations under the Agreement as a result of any proceeding initiated under the Federal bankruptcy laws, and as the same may hereafter be amended, or under any similar state or federal law, or any limitation of the liability of Principal or its estate as a result of any such proceeding, or the assumption by Principal of the Agreement as a result of any such proceeding, notwithstanding the finding by a court of competent jurisdiction that Principal has provided the Port with adequate assurance of future performance under the Agreement.

This Bond has been negotiated and executed in and shall be governed by and construed in accordance with the laws of the State of California. The execution of this Performance Bond by Surety shall constitute Surety's consent in the event of any litigation arising under this Performance Bond to the personal jurisdiction of, venue in and, convenience of the forum of the Superior Courts of the State of California, County of Alameda and the U.S. District Court for the Northern District of California for such purposes.

ATTEST:

PRINCIPAL:

Secretary

(Affix Official Seal)

By: _____

Print Name and Title

ATTEST:

SURETY:

Secretary

(Affix Official Seal)

By: _____

Print Name and Title

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT P

NON-DISCRIMINATION PLAN FOR EMPLOYMENT

I. NON-DISCRIMINATION POLICY

Operator will issue a policy statement delineating the policy of the Operator regarding its commitment to equal employment opportunity and non-discrimination, and such policy will be fully implemented. A statement similar to the following is recommended:

Equal Employment Opportunity Statement

It is the policy of Operator, personally subscribed to and supported by its principals, that there shall be no unlawful discrimination against an employee or applicant for employment on the basis of race, color, religion, sex, national origin, ancestry, age (over 40), physical or mental disability, cancer-related medical condition, a known genetic pre-disposition to a disease or disorder, veteran status, marital status, or sexual orientation. This policy includes, but is not limited to, the following: hiring, upgrading, recruitment, recruitment advertising, selection, training, demotion, transfer, compensation, lay-off or termination, or any other term or condition of employment. To implement this policy, Operator has a nondiscrimination program which is supported by all of Operator's managers and supervisors, and which Operator shall fully implement as appropriate during the Operating Term. To assure that equal opportunity and non-discrimination efforts are properly carried out, Operator at all times shall have an Equal Employment Coordinator; provided, however, that the principals of Operator shall be responsible for proper implementation of the Non-Discrimination Plan. Notwithstanding any provisions of this Plan to the contrary, Sections II-V of this Plan shall not become applicable unless and until the Operator has 15 or more employees.

II. RESPONSIBILITIES AND DUTIES OF EQUAL OPPORTUNITY COORDINATOR

In addition to the Equal Employment Opportunity Coordinator's regular duties, it is the Coordinator's responsibility to: (1) develop equal opportunity and non-discrimination procedures and communication techniques; (2) assist supervisors and managers in identifying and solving problems relating to equal opportunity; (3) maintain an open-door policy to all employment problems which may be raised by employees or applicants for employment; (4) design and implement a system of periodic monitoring and reporting Operator's equal opportunity efforts, including monitoring of selection procedures and regular review and validation of any selection requirements and tests which are found to impact adversely on any person belonging to any of the protected classes; (5) keep informed, and keep senior management informed, on equal opportunity developments; (6) act as a liaison with equal opportunity

agencies; (7) ensure that all managers and supervisors comply with this policy and implement Operator's non-discrimination program; (8) train employees, including supervisory and management personnel, to create a favorable climate for an effective equal opportunity program; (9) ensure that all of the Operator's facilities are desegregated; (10) conduct a periodic audit to ensure notices are properly displayed; (11) review the qualifications of all employees to ensure that all employees are given full opportunity for promotions or transfer; (12) encourage employees including to participate in all company-sponsored social and recreational events, educational and training programs; (13) communicate to supervisors that their performance is being evaluated on their equal employment opportunity and non-discrimination efforts and results as well as other criteria; (14) ensure that supervisors take action to prevent discriminatory harassment of employees.

III. COMMUNICATION OF POLICY

Operator is desirous of ensuring that all employees and other persons are fully informed of its commitment to equal opportunity. Accordingly, Operator will undertake the following steps to disseminate the policy both internally and externally:

Internal Dissemination

- A. Operator's Equal Employment Opportunity/ Non-Discrimination Policy shall be contained in Operator's policy guide books or employee handbook, whichever may exist.
- B. Operator shall publicize at least once each year its EEO Policy in newsletters and/or magazines which are intended for the general reading of management and employees.
- C. A policy statement and Federally-required Equal Employment Opportunity notice will be posted on Operator's bulletin boards in areas where employees or applicants congregate.
- D. Operator shall communicate to all employees its EEO Policy and program through regular meetings during which managers and supervisors will discuss Operator's EEO policies and programs, individual responsibilities and review progress.
- E. Applications for employment shall include a statement regarding non-discrimination.

External Dissemination

- A. Recruiting services through which Operator hires, and each labor union or workers' representative with which it has a collective bargaining agreement or other employment-related contract, shall be informed through meetings or by written notification of the Operator's policies regarding equal opportunity. Operator will encourage the above actively to recruit and refer diverse applicants.
- B. All advertisements for employment will state that Operator is an equal opportunity employer.
- C. When employees are featured in marketing campaigns, employee handbooks or similar publications under Operator's control, diverse employees will be pictured where practicable.
- D. An Equal Opportunity Clause will be inserted by Operator in all future labor union agreements, purchase orders and all other contracts relative to this Agreement.

Operator's non-discrimination plan compliance will be updated and revised periodically (at least annually) in light of experience, revised laws and regulations and their interpretations, and better understanding of effective approaches which will assure truly equal opportunity for all. The initial set of goals and timetables established pursuant to this Plan shall be forwarded to the Executive Director within 90 days after Operator's execution of the Agreement. Each updated plan will be forwarded to the Executive Director within 30 days after their adoption. Each updated plan shall be consistent with the goals and objectives of this Plan.

Any questions relating to details of this Plan should be referred to Operator's Equal Employment Opportunity Coordinator.

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT Q

RESERVED

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT R

GUARANTY

WHEREAS, the City of Oakland, a municipal corporation doing business by and through its Board of Port Commissioners, hereafter referred to as "Port", and _____, hereafter referred to as "Operator", are about to execute a document entitled Agreement For Airport Parking Management Services (the "Agreement") dated _____, 2012, under which Operator will manage, operate and maintain the public and permit/employee parking facilities at Oakland International Airport; and

WHEREAS, the undersigned, hereinafter referred to as "Guarantors", have a financial interest in and/or will receive benefit from Operator, and

WHEREAS, Port would not execute the Agreement if Guarantors did not execute and deliver to Port this Guaranty.

NOW THEREFORE, for and in consideration of the execution of the Agreement by Port and as a material inducement to Port to execute said Agreement, Guarantors hereby jointly, severally, unconditionally and irrevocably guarantee the prompt payment by Operator of all sums payable by Operator under the Agreement and the faithful and prompt performance by Operator of each and every one of the terms, conditions and covenants of the Agreement to be kept and performed by Operator that arise during the Operating Term of the Agreement.

It is specifically agreed and understood that the terms of the Agreement may be altered, affected, modified, waived or changed by agreement between Port and Operator, including, without limitation, the amount of the Management Fee, the definition of Reimbursable Expenses, the Operating Term of the Agreement and the location of the Premises, and the Agreement may be assigned by Port or any assignee of Port without consent or notice to Guarantors and that this Guaranty shall thereupon and thereafter continue to guarantee the performance of the Agreement as so changed, modified, affected, altered or assigned, irrespective of the lack of prior notice to or consent by Guarantors.

In the event the Agreement is renewed and/or extended by the Port, this Guaranty shall also apply to the Agreement as so extended or renewed, notwithstanding any changes in the provisions thereof, with the same effect as if this Guaranty had been executed by the undersigned with reference to the renewed or extended Agreement at the time of said renewal or extension.

This Guaranty shall not be released, modified or affected by failure or delay on the part of Port to enforce any of the rights or remedies of the Port under the Agreement, whether pursuant to the terms thereof or at law or in equity.

No notice of occurrence, existence or continuance of any failure of performance or payment under the Agreement, or any other event of default or default by Operator under the Agreement need be given to Guarantors. It is specifically agreed and understood that the guarantee of the undersigned is a continuing guarantee under which Port may proceed forthwith and immediately against Operator or against one or more of the Guarantors following any breach or default by Operator or for the enforcement of any rights which Port may have as against Operator pursuant to or under the terms of the Agreement or at law or in equity.

Port shall have the right to proceed against any of the Guarantors hereunder following any breach or default by Operator without first proceeding against Operator or any of the remaining Guarantors and without previous notice to or demand upon either Operator or Guarantors. Each Guarantor further assents, without the requirement or condition that notice of any kind or nature be given to such Guarantor on account thereof, to (a) any failure to resort to or exhaust other rights, powers or remedies on the part of Port; (b) the acceptance by Port of (i) any prepayments or partial payments under the Agreement and (ii) any payment in full satisfaction of less than all of the amount due under the Agreement.

Guarantors, and each of them, hereby waive (a) notice of acceptance of this Guaranty, (b) demand of payment, diligence, presentation and protest, including, without limitation, of claims with a court in the event of receivership or bankruptcy of Operator, (c) notice of the reliance of Port upon this Guaranty; (d) any right to require the Port to proceed against the Operator or any other Guarantor or any other person or entity liable to Port, (e) any right to require Port to apply to any default any security deposit or other security it may hold under the Agreement, (f) any right to require Port to proceed under any other remedy Port may have before proceeding against Guarantors, (g) any right of subrogation, reimbursement, indemnification, and contribution, and (h) any other rights and defenses that are or may become available to Guarantors by reason of sections 2787 to 2855 of the California Civil Code. In addition, Guarantor agrees that the performance of any act or payment that tolls the statute of limitations applicable to the Agreement shall similarly operate to toll the statute of limitations applicable to Guarantors' liability hereunder.

Guarantors do hereby subrogate all existing or future indebtedness or other obligations of Operator to Guarantors to the obligations owed to Port under the Agreement and this Guaranty.

Each of the undersigned Guarantors that is a natural person represents and warrants to the Port either that: (a) he or she is currently unmarried, and covenants that if he or she marries, (i) recourse may be had against his or her separate property for all of such Guarantor's obligations under this Guaranty, and (ii) his or her spouse shall become a party to this Guaranty so that recourse may be had against such spouse's separate property and to their community property for all of such Guarantor's obligations under this Guaranty; or (b) he or she is currently married, and his or her spouse has executed this Guaranty as a Guarantor.

The Guarantors agree to provide financial and other information about the Guarantors to the Port to the same extent that the Operator is obligated to provide such information under Section 22(f) of the Agreement.

This Guaranty and the liability of Guarantors hereunder shall not be subject to or contingent upon (a) the genuineness, validity, regularity or enforceability of the Agreement, or (b) any law, ordinance, rule, regulation, writ, order or decree now or hereafter in effect which might in any manner affect the Operator's obligations under the Agreement or any rights, powers or remedies of Port in respect thereof, or cause or permit to be invoked any alteration of time, amount or manner of payment or performance of any obligation of the Operator under the Agreement. Further, this Guaranty shall not be deemed discharged, impaired or affected by (x) the power or authority of Operator to enter into or to obtain the Agreement; (y) any subcontracting or assignment by Operator of its interest in the Agreement; or (z) the existence or non-existence of Operator as a legal entity.

All of the rights, powers and remedies of Port under the Agreement and this Guaranty are intended to be distinct, separate and cumulative, and none of such rights, powers and remedies therein and herein contained is intended to be exclusive of or a waiver of any other right, power or remedy therein or herein contained.

This Guaranty shall be governed by, and construed in accordance with, the laws of the State of California. Each provision hereof is intended to be severable. If any clause, phrase, provision or portion of this Guaranty or the application thereof is determined by a court of competent jurisdiction to be invalid or unenforceable under applicable law, the remaining clauses, phrases, provisions and portions of this Guaranty shall not be affected or impaired thereby, but each remaining clause, phrase, provision and portion shall be valid and be enforceable to the fullest extent permitted by law.

The term "Operator" whenever used in this Guaranty refers to and means the Operator named in the Agreement and also to any successor to the interests of the Operator authorized pursuant to the terms of the Agreement.

This Guaranty shall be binding on the Guarantors and their respective heirs, executors, personal representatives, successors and assigns.

In the event any action is brought by the Port against Guarantors or any of them to enforce the obligation of Guarantors hereunder, the unsuccessful party in such action shall pay to the prevailing party therein a reasonable attorney's fee which shall be fixed by the court.

IN WITNESS WHEREOF, each Guarantor hereby executes this Guaranty this ____ day of _____, 2017.

<u>Attest:</u> _____ <u>By:</u> <u>Print Name and Title</u> <u>(If Corporate, Secretary, Assistant</u> <u>Secretary, Chief Financial Officer, or</u> <u>Assistant Treasurer)</u>	<u>TBD</u> <u>By:</u> _____ <u>Name:</u> _____ <u>Office:</u> _____
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**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT S

**[INTENTIONALLY BLANK]
[PLACE HOLDER FOR LIST OF ACDBEs]**

FORM OF QUARTERLY REPORT CERTIFICATE

(On Company Letterhead)

(Date)

Mr. Bryant Francis
Director of Aviation
Port of Oakland
530 Water Street
Oakland, CA 94607

Dear Mr. Francis:

I, _____, do hereby certify as follows:

1. I am the [**insert a title - *Chief Financial Officer***] of _____, the Permittee/Lessee under a Permit/Lease with the Port of Oakland for (*fill in type of service*) with dated _____, 20xx (the "Permit/Lease").
2. The attached Quarterly Report of the Permittee/Lessee for the quarter ending _____, 20_, was prepared in accordance with all of the applicable requirements of the Permit/Lease, and all of the information contained in this Quarterly Report is true and correct.

Sincerely,

Signature

Name

Title

DBE Qtrly Report Certificate OAK April 2011

**QUARTERLY REPORTING FOR PARTICIPATION OF
AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISES**

Prime Concessionaire Submitting Report: _____ **For QUARTER Ending :** _____

Name and Address of Airport Concession Disadvantaged Business Enterprise (ACDBE)	ACDBE Telephone and Fax Numbers and Email Address	ACDBE * Certification Number	Description of ACDBE Services	Dollar Amount of Sales, Purchase or Lease of Goods and Services	Lease Amount Or Minimum Annual Guarantee	Total Lease Amount Or Annual Contract Total

* The certified firm is issued a certificate by the California Unified Certification Program (CUCP). ACDBE status may be obtained by accessing the CUCP website: <http://www.dot.ca.gov/hq/bep/index.htm> or by calling (916) 324-1700 or (866) 810-6346. If the firm was certified as an ACDBE at the time it started work on this lease, but was decertified before completing its portion of the work, enter the dollar amount of ALL services performed by the firm, INCLUDING SERVICES PERFORMED AFTER THE CERTIFICATION DATE. This report must be submitted with the Form of Quarterly Report Certificate. For questions regarding this form, contact Lila Zinn at (510) 627-1485.

OAK quarterly ACDBE April 2011

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT T

RESERVED

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**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT U

AGREEMENT ADDENDUM

Operator shall incorporate the following statutory provisions into all agreements with Contractors (defined in Section 11) performing construction under the Agreement to which this Exhibit is attached:

1. **Resolution of Construction Claims.** Contractor and Operator shall resolve construction claims pursuant to the procedures established in Public Contract Code Section 20104.

2. **Workers' Compensation Certificate.** Contractor shall secure workers' compensation coverage for its employees pursuant to Labor Code Section 3700. By executing this Agreement, Contractor certifies that Contractor is aware of the provisions of Section 3700 of the Labor Code, and Contractor will comply with such provisions before commencing the performance of the work of this Agreement.

3. **Prevailing Wages.** Contractor shall pay prevailing wages on all public works projects in excess of \$1,000, pursuant to Port Ordinance 1606.

4. **Bonds.** Contractor shall obtain bonds in accordance with the provisions of Port Ordinance 1606.

5. **Working Hours Restriction.** Contractor shall adhere to the eight-hour workday/forty-hour workweek restriction and payment of overtime requirements of Labor Code Section 1810, et seq.

6. **Payroll Records.** Contractor and subcontractors shall maintain accurate payroll records and certify them upon request, pursuant to California Labor Code Section 1776.

7. **Apprentices.** Contractor shall adhere to the policies regarding hiring of apprentices, pursuant to California Labor Code Section 1777.5.

8. **Substitution of Securities for Retention** shall be permitted pursuant to Public Contract Code Section 22300, which is incorporated herein full by this reference.

9. **Antitrust Claim Assignment.** Contractor shall offer and agree to assign any antitrust claim governed by Public Contract Code Section 7103.5 to the Port.

10. **Licensed General Contractor.** Operator shall employ a licensed general contractor to do the work.

11. **Port of Oakland Maritime and Aviation Project Labor Agreement (“MAPLA”)**. The Contractor, whether union or non-union, must comply with the Port of Oakland Maritime and Aviation Project Labor Agreement, attached as Document 00823, and execute Document 00630, Letter of Assent. Non-union Contractors and subcontractors are not required to sign union agreements nor are their employees required to become union members to perform work on this Project. The Contractor further must cause all “Contractors” (as such term is defined in the Project Labor Agreement) that contract under Contractor on this Contract and are covered by the Project Labor Agreement, to comply with the requirements imposed on “Contractors” (as such term is defined in the Project Labor Agreement) under said agreement and to execute Document 00630, Letter of Assent.

**PORT OF OAKLAND
OAKLAND INTERNATIONAL AIRPORT
AIRPORT PARKING MANAGEMENT SERVICES**

EXHIBIT V

ENVIROMENTAL RESPONSIBILITIES

Section 1. Compliance with Port Environmental and Storm Water Ordinances.

Operator shall comply with Port Environmental Ordinance No. 4345 (the "Environmental Ordinance") and Port Storm Water Ordinance No. 4311 (the "Storm Water Ordinance" and, together with the Environmental Ordinance, the "Port Ordinances"). All terms in this Environmental Responsibilities Exhibit shall have the meanings as defined in the Environmental Ordinance.

Section 2. Notices and Disclosures Regarding Toxic Materials.

Pursuant to H&S Code Section 25359.7, the Port notifies Operator that the Port has reasonable cause to believe that Toxic Materials have come to be located on, at, beneath or emanating from the Premises. Information regarding the Toxic Materials on the Premises may be included in reports available on DTSC's Envirostor Website <http://www.envirostor.dtsc.ca.gov/public/>, the RWQCB's Geotracker Website <http://geotracker.waterboards.ca.gov/>, or Alameda County's ftp site <http://gis.acgov.org/DEH/InspectionResults/?SITE=LOP>. In addition, Operator may request any non-privileged Toxic Material reports concerning the Premises that are in the possession of the Port.

Section 3. Storage Tanks.

Existing Storage Tanks: ☐ Yes ☐ No

If yes, list Storage Tank number, location, date of installation, material stored and size

If there are Storage Tanks on the Premises, Operator has certain responsibilities for operation, monitoring, reporting, maintenance and removal of such Storage Tanks, See Environmental Ordinance, Sections 3 and 10.

Section 4. Covenant to Restrict Use of Property ("CRUP").

Existing CRUP: ☐ Yes ☐ No

If the Yes box is checked, the attached CRUP is incorporated and Operator shall comply with the CRUP. Required Disclosure:

Section 5. Performance Deposit.

Operator shall, not later than the Effective Date, deposit with the Port and during the entire Term shall maintain with the Port a deposit as specified in the Agreement, which deposit will be retained by the Port as a performance deposit (the "Performance Deposit") and may be used or applied as the Port, in its sole discretion, may determine to: (a) pay the Cost of Response Actions on the Premises that are the responsibility of Operator; (b) repair any damage to the Premises caused by Operator or Operator's Representatives; (c) replace any Improvements which are the property of the Port and which have been damaged, removed or otherwise misplaced during the Operating Term; (d) pay any other outstanding amounts due the Port from Operator pursuant to any of the provisions of the Port Ordinances; (e) pay any compensation or other amount payable to the Port pursuant to the Port Ordinances that is not paid when due; (f) pay or reimburse the Port for any amount that the Port may spend or become obligated to spend in exercising its rights under the Port Ordinances; or (g) compensate the Port for any expense, loss or damage that the Port may suffer because of a default with respect to any obligation of Operator under the Port Ordinances.

The Performance Deposit shall be cash or an irrevocable letter of credit in the form required by the Port (a "Letter of Credit"), issued by a bank ("Issuer") located within the continental United States, acceptable to the Port and with a branch office located in Oakland or San Francisco, California, at which such Letter of Credit may be drawn. In the event the Port is required to utilize the Performance Deposit or any portion thereof during the Term for the purposes hereinabove set forth, Operator shall deposit with the Port an additional sum or a replacement Letter of Credit sufficient to restore the Performance Deposit to the amount hereinabove set forth. Operator waives the provisions of Section 1950.7 of the California Civil Code to the extent that such Section: (i) provides that the Performance Deposit can be applied only to remedy certain defaults by Operator; (ii) requires that all or any unused portion of the Performance Deposit must be returned to Operator within a specified period of time; or (iii) is otherwise inconsistent with this Section 5, it being the Parties' intention that this Section 5 shall be controlling.

Section 6. Release

Operator, for itself, Operator Representatives, successors and assigns, waives, releases, acquits, and forever discharges the Port of, from, and against any Actions, direct or indirect, at any time on account of, or in any way arising out of or in connection with: (i) the Port providing advice, guidance, or assistance to Operator or Operator Representatives regarding Operator's compliance with Environmental Laws; and (ii) Toxic Materials existing at, on, or under the Premises as of the Effective Date, and any migration of Toxic Materials to, within, or from the Premises regardless of the origin or source of the Toxic Materials, whether known or unknown. Operator's release of the Port shall apply to all unknown and known Actions and contingent or liquidated Actions, and shall specifically cover any potential liability which may be based on any Environmental Laws.

The release shall also include a release of the rights provided under California Civil Code Section 1542 which states:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

As indicated by the initials below, it is Operator’s intention that it waive and relinquish any and all protections, privileges, rights and benefits it may have under Section 1542.

Operator: _____

Section 7. Storm Water

Operator represents and warrants that it shall comply with the use provisions in the Agreement and shall only perform activities on the Premises consistent with the Standard Industrial Classification (“SIC”) code (or North American Industry Classification System (“NAICS”) code if the SIC code is not available), listed below. SIC codes may be searched at <https://www.osha.gov/pls/imis/sicsearch.html>; NAICS codes may be searched at <https://www.bls.gov/bls/naics.htm>. Operator shall seek and obtain prior written approval from the Port before performing any activities on the Premises that are inconsistent with the below-referenced SIC or NAICS code.

SIC or NAICS Code: _____

Section 8. Operator Environmental Contact Information

Name: _____

Title: _____

Work Address: _____

Phone Number: _____

Email Address: _____