

TABLE OF CONTENTS

	Page No.
I. PARTIES.....	1
A. Address	1
B. Table of Contents	1
C. Controlling Parts	4
D. Signatures.....	4
II. DEFINITIONS.....	5
III. DUTIES OF CONTRACTOR.....	5
A. License	5
B. Coordinate Performance	5
C. Prompt Payment of Subcontractors	6
D. Personnel of the Contractor	6
E. RELEASE	6
F. INDEMNIFICATION	6
G. INDEMNIFICATION - PATENT, COPYRIGHT, TRADEMARK, AND TRADE SECRET INFRINGEMENT)	7
H. INDEMNIFICATION PROCEDURES	7
I. Insurance.....	8
J. Warranties	10
K. Licenses and Permits.....	11
L. Compliance with Laws	11
M. Compliance with Equal Opportunity Ordinance.....	11
N. MWBE Compliance.....	11
O. Performance Bond	12
P. Drug Abuse Detection and Deterrence	12
Q. Department Policies and Procedures	13
IV. DUTIES OF CITY.....	13
A. Payment Terms	13
B. Taxes.....	13
C. Method of Payment - Disputed Payments	13
D. Limit of Appropriation.....	13
E. Special Services Authorizations.....	14
F. Additions and Deletions.....	16
VI. TERM AND TERMINATION.....	17
A. Contract Term	17
B. Renewals.....	17
C. Time Extensions.....	17
D. Termination for Convenience by City	17
E. Termination for Cause	18
F. Termination for Cause by Contractor	18

VII. MISCELLANEOUS 19

- A. Independent Contractor..... 19
- B. Force Majeure 19
- C. Severability 20
- D. Entire Agreement..... 20
- E. Written Amendment..... 20
- F. Applicable Laws 20
- G. Notices 20
- H. Captions 21
- I. Non-Waiver..... 21
- J. Inspections and Audits..... 21
- K. Enforcement..... 21
- L. Ambiguities..... 21
- M. Survival..... 21
- N. Risk of Loss 2223
- O. Parties In Interest 2223
- P. Successors and Assigns..... 2223
- Q. Business Structure and Assignments 2223
- R. Remedies Cumulative 2223
- S. Contractor Debt..... 2223

EXHIBITS

- A. Scope of Services**
- B. Payments**
- C. Performance Incentive Bonus Program**
- D. Attachment “A”--Drug Policy Compliance Agreement**
Attachment “B”--Certification of No Safety Impact Positions
Attachment “C”--Drug Policy Compliance Declaration
- E. MWBE Subcontract Terms**
- F. Equal Employment Opportunity**

C. Controlling Parts

If a conflict among the sections of this Agreement and the exhibits to this Agreement arises, the sections shall control over the exhibits.

D. Signatures

The Parties have executed this Agreement in multiple copies, each of which is an original.

ATTEST/SEAL:

REPUBLIC PARKING SYSTEM, INC.

By: _____
Name:
Title:

By: _____
Name: Mr. Scott Titmus
Title: Sr. Vice President

ATTEST/SEAL:

CITY OF HOUSTON, TEXAS
Signed by:

City Secretary

Mayor

APPROVED:

COUNTERSIGNED BY:

Director, Convention and Entertainment
Facilities Department

City Controller

APPROVED AS TO FORM:

DATE COUNTERSIGNED:

Sr. Assistant City Attorney
L.D. File No.

II. DEFINITIONS

As used in this Agreement, the following terms have the meanings set out below:

"Agreement" means this contract between the Parties, including all exhibits and any written amendments authorized by City Council and Contractor.

"City" is defined in the preamble of this Agreement and includes its successors and assigns.

"Contractor" is defined in the preamble of this Agreement and includes its successors and assigns.

"Countersignature Date" means the date shown as the date countersigned on the signature page of this Agreement.

"Department" means the City of Houston Convention and Entertainment Facilities Department or its successor department.

"Director" means the Director of the Convention and Entertainment Facilities Department, or the person he or she designates.

"Documents" mean notes, manuals, notebooks, plans, computations, databases, tabulations, exhibits, reports, underlying data, charts, analyses, maps, letters, models, forms, photographs, the original tracings of all drawings and plans, and other work products (and any modifications or improvements to them) that Contractor prepares or provides under this Agreement.

"Parties" mean all the entities set out in the Preamble who are bound by this Agreement.

Other definitions may be found in the Exhibits.

III. DUTIES OF CONTRACTOR

A. License

In consideration of the License granted herein, Contractor shall provide all labor, material, and supervision necessary to perform the services described in Exhibit "A."

B. Coordinate Performance

Contractor shall coordinate its performance with the Director and other persons that the Director designates. Contractor shall promptly inform the Director and other person(s) of all significant events relating to the performance of this Agreement.

C. Prompt Payment of Subcontractors

Contractor shall make timely payments to all persons and entities supplying labor, materials, or equipment for the performance of this Agreement. **CONTRACTOR SHALL DEFEND AND INDEMNIFY THE CITY FROM ANY CLAIMS OR LIABILITY ARISING OUT OF CONTRACTOR'S FAILURE TO MAKE THESE PAYMENTS.** Contractor shall submit disputes relating to payment of MWBE subcontractors to arbitration in the same manner as any other disputes under the MWBE subcontract.

D. Personnel of the Contractor

Contractor shall replace any of its personnel or subcontractors whose work performance is deemed unsatisfactory by the Director.

E. RELEASE

CONTRACTOR AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

F. INDEMNIFICATION

CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

- (1) **CONTRACTOR'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1-3, "CONTRACTOR") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;**
- (2) **THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND**

- (3) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT.

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. CONTRACTOR'S INDEMNIFICATION IS LIMITED TO \$500,000 PER OCCURRENCE. CONTRACTOR SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.

G. INDEMNIFICATION - PATENT, COPYRIGHT, TRADEMARK, AND TRADE SECRET INFRINGEMENT

CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL CLAIMS OR CAUSES OF ACTION BROUGHT AGAINST THE CITY ALLEGING THAT THE CITY'S USE OF ANY EQUIPMENT, SOFTWARE, PROCESS, OR DOCUMENTS CONTRACTOR FURNISHES DURING THE TERM OF THIS AGREEMENT INFRINGES ON A PATENT, COPYRIGHT, OR TRADEMARK, OR MISAPPROPRIATES A TRADE SECRET. CONTRACTOR SHALL PAY ALL COSTS (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS, AND INTEREST) AND DAMAGES AWARDED.

CONTRACTOR SHALL NOT SETTLE ANY CLAIM ON TERMS WHICH PREVENT THE CITY FROM USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS WITHOUT THE CITY'S PRIOR WRITTEN CONSENT.

WITHIN 60 DAYS AFTER BEING NOTIFIED OF THE CLAIM, CONTRACTOR SHALL, AT ITS OWN EXPENSE, EITHER (1) OBTAIN FOR THE CITY THE RIGHT TO CONTINUE USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS OR, (2) IF BOTH PARTIES AGREE, REPLACE OR MODIFY THEM WITH COMPATIBLE AND FUNCTIONALLY EQUIVALENT PRODUCTS. IF NONE OF THESE ALTERNATIVES IS REASONABLY AVAILABLE, THE CITY MAY RETURN THE EQUIPMENT, SOFTWARE, OR DOCUMENTS, OR DISCONTINUE THE PROCESS, AND CONTRACTOR SHALL REFUND THE PURCHASE PRICE.

H. INDEMNIFICATION PROCEDURES

(1) Notice of Claims. If the City or Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include the following:

- (a) a description of the indemnification event in reasonable detail,
- (b) the basis on which indemnification may be due, and
- (c) the anticipated amount of the indemnified loss.

This notice does not estop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 10 day period, it does not waive any right to indemnification except to the extent that Contractor is prejudiced, suffers loss, or incurs expense because of the delay.

(2) Defense of Claims

(a) Assumption of Defense. Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Contractor shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Contractor must advise the City as to whether or not it will defend the claim. If Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.

(b) Continued Participation. If Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

I. Insurance

Contractor shall maintain in effect certain insurance coverage, which is described as follows:

- (1) Risks and Limits of Liability. Contractor shall maintain the following coverages and limits of liability:

<u>(Coverage)</u>	<u>(Limit of Liability)</u>
Workers' Compensation	Statutory for Workers' Compensation
Employer's Liability	Bodily Injury by accident \$500,000 (each accident) Bodily Injury by Disease \$500,000 (policy limit) Bodily Injury by Disease \$500,000 (each employee)
Commercial General Liability: Including Broad Form Coverage, Contractual Liability, Bodily and Personal Injury, and Completed Operations	Bodily Injury and Property Damage, Combined Limits of \$1,000,000 each Occurrence and \$2,000,000 aggregate

Automobile Liability Insurance (for vehicles Contractor uses in performing under this Agreement, including Shuttle Buses, Employer's Non-Owned and Hired Auto Coverage)	\$1,000,000 combined single limit per occurrence
Umbrella Excess Coverage	\$1,500,000
Garagekeepers Legal Liability	\$2,500,000 combined single limit Each occurrence
Crime-Policy Limits	\$10,000 commercial blanket \$10,000 broad form money-inside \$10,000 broad form money-outside

Defense costs are excluded from the face amount of the policy.
Aggregate Limits are per 12-month policy period
unless otherwise indicated.

- (2) Form of Policies. The Director may approve the form of the insurance policies, but nothing the Director does or fails to do relieves Contractor from its duties to provide the required coverage under this Agreement. The Director's actions or inactions do not waive the City's rights under this Agreement.
- (3) Issuers of Policies. The issuer of any policy shall have a Certificate of Authority to transact insurance business in Texas or have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide, Property-Casualty United States.
- (4) Insured Parties. Each policy, except those for Workers' Compensation, Employer's Liability, and Professional Liability, must name the City (and its officers, agents, and employees) and Mary Ann Laro as Additional Insured parties on the original policy and all renewals or replacements.
- (5) Deductibles. Contractor shall be responsible for and bear any claims or losses to the extent of any deductible amounts and waives any claim it may have for the same against the City, its officers, agents, or employees.
- (6) Cancellation. Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the Director 30 days' advance written notice. Contractor shall give written notice to the Director within five days of the date on which total claims by any party against Contractor reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.
- (7) Subrogation. Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City, its officers, agents, or employees or against Mary Ann Laro.

- (8) Endorsement of Primary Insurance. Each policy, except Workers' Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the Additional Insured with respect to claims arising under this Agreement.
- (9) Liability for Premium. Contractor shall pay all insurance premiums, and the City shall not be obligated to pay any premiums.
- (10) Subcontractors. Contractor shall require all subcontractors to carry insurance naming the City as an additional insured and meeting all of the above requirements except amount. The amount must be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence. Contractor shall provide copies of insurance certificates to the Director.
- (11) Proof of Insurance.

(a) On the Effective Date and at any time during the Term of this Agreement, Contractor shall furnish the Director with Certificates of Insurance, along with an Affidavit from Contractor confirming that the Certificates accurately reflect the insurance coverage maintained. If requested in writing by the Director, Contractor shall furnish the City with certified copies of Contractor's actual insurance policies.

(b) Contractor shall continuously and without interruption, maintain in force the required insurance coverages specified in this Section. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may

- (1) immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or
- (2) purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to Contractor under this Agreement.

The City shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

(12) Other Insurance. If requested by the Director, Contractor shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Contractor's operations under this Agreement.

J. Warranties

Contractor warrants that it shall perform all work in a good and workmanlike manner, meeting the standards of quality prevailing in Harris County, Texas for work of this kind. Contractor shall perform all work using trained and skilled persons having substantial experience performing the work required under this Agreement.

With respect to any parts and goods it furnishes, Contractor warrants:

- (1) that all items are free of defects in title, design, material, and workmanship,
- (2) that each item meets or exceeds the manufacturer's specifications and requirements for the equipment, structure, or other improvement in which the item is installed,
- (3) that each replacement item is new, in accordance with original equipment manufacturer's specifications, and of a quality at least as good as the quality of the item which it replaces (when the replaced item was new), and
- (4) that no item or its use infringes any patent, copyright, or proprietary right.

Contractor shall enforce all warranties on behalf of the City and shall promptly repair or replace any part or equipment that fails in normal use and service.

K. Licenses and Permits

Contractor shall obtain, maintain, and pay for all licenses, permits, and certificates required by any statute, ordinance, rule, or regulation.

L. Compliance with Laws

Contractor shall comply with all applicable state and federal laws and regulations and the City Charter and Code of Ordinances.

M. Compliance with Equal Opportunity Ordinance

Contractor shall comply with City's Equal Employment Opportunity Ordinance as set out in Exhibit "F".

N. MWBE Compliance

Contractor shall comply with the City's Minority and Women Business Enterprise ("MWBE") programs as set out in Chapter 15, Article V of the City of Houston Code of Ordinances. Contractor shall make good faith efforts to award subcontracts or supply agreements in at least **15%** of the value of this Agreement to MWBEs. Contractor acknowledges that it has reviewed the requirements for good faith efforts on file with the City's Affirmative Action Division and will comply with them.

Contractor shall require written subcontracts with all MWBE subcontractors and shall submit all disputes with MWBEs to binding arbitration if directed to do so by the Affirmative Action Division Director. MWBE subcontracts must contain the terms set out in Exhibit "E". If Contractor is an individual person (as distinguished from a corporation, partnership, or other legal entity), and the amount of the subcontract is \$50,000 or less, the subcontract must also be signed by the attorneys of the respective parties.

O. Performance Bond

Contractor shall furnish a performance bond or a Clean Irrevocable Letter of Credit for **\$175,000.00**, renewable each year of the Agreement Term including extension terms, conditioned on Contractor's full and timely performance of the Agreement. The bond must be in a form approved by the City Attorney and issued by a corporate surety authorized and admitted to write surety bonds in Texas. Any Clean Irrevocable Letter of Credit must be in a form approved by the City Attorney. The surety must be listed on the current list of accepted sureties on federal bonds published by the United States Treasury Department or reinsured for any liability in excess of \$100,000 by a reinsurer listed on the U.S. Treasury list. If the City receives notice that the Performance Bond is cancelled, then the City may not make a claim against the surety for failure to renew the Performance Bond, so long as the Contractor is performing all aspects of this Agreement without default, or for Contractor's default in not obtaining a new Performance Bond, but the City may terminate the Contractor under this Agreement for default for its failure to provide a replacement bond.

P. Drug Abuse Detection and Deterrence

(1) It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by contractors while on City Premises is prohibited. Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), which is incorporated into this Agreement and is on file in the City Secretary's Office.

(2) Before the City signs this Agreement, Contractor shall file with the Contract Compliance Officer for Drug Testing ("CCODT"):

- (a) a copy of its drug-free workplace policy,
- (b) the Drug Policy Compliance Agreement substantially in the form set forth in Exhibit "D"--Attachment "A," together with a written designation of all safety impact positions and,
- (c) if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the form set forth in Exhibit "D"—Attachment "B."

If Contractor files a written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every 6 months during the performance of this Agreement or on completion of this Agreement if performance is less than 6 months, a Drug Policy Compliance Declaration in a form substantially similar to Exhibit "D"—Attachment "C." Contractor shall submit the Drug Policy Compliance Declaration to the CCODT within 30 days of the expiration of each six-month period of performance and within 30 days of completion of this Agreement. The first six-month period begins to run on the date the City issues its Notice to Proceed or if no Notice to Proceed is issued, on the first day Contractor begins work under this Agreement.

(3) Contractor also shall file updated designations of safety impact positions with the CCOOT if additional safety impact positions are added to Contractor's employee work force.

(4) Contractor shall require that its subcontractors comply with the Executive Order, and Contractor shall secure and maintain the required documents for City inspection.

Q. Department Policies and Procedures

Contractor shall at all times comply with the Parking Operations Policies and Procedures, on file in the Department's Parking Operations offices, and any amendment or revisions thereto.

IV. DUTIES OF CITY

The City shall perform those duties assigned to its responsibility as set out in Exhibit "A" of this Agreement.

A. Payment Terms

In consideration for the services provided hereunder, City shall pay Contractor those amounts as described in Exhibit "B."

B. Taxes

The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's statements to the City must not contain assessments of any of these taxes unless required by law. The Director will furnish the City's exemption certificate and federal tax identification number to Contractor if requested.

C. Method of Payment - Disputed Payments

If the City disputes any items in a statement Contractor submits for any reason, including lack of supporting documentation, the Director shall promptly notify Contractor of the dispute and request remedial action. After the dispute is settled, Contractor shall include the disputed amount on a subsequent regularly scheduled statement or on a special invoice for the disputed item only.

D. Limit of Appropriation

(1) The City's duty to pay money to Contractor under this Agreement is limited in its entirety by the provisions of this Section.

(2) In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated the sum of **\$1,700,000.00** to pay money due under this Agreement (the "Original Allocation"). The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this Agreement, but they are not obligated to do so. Therefore, the parties have agreed to the following procedures and remedies:

(3) The City makes a supplemental allocation by sending a notice signed by the Director and the City Controller to Contractor in substantially the following form:

"NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS"

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of notice]

SUBJECT: Supplemental allocation of funds for the purpose of the "[title of this Agreement]" between the City and (name of Contractor) countersigned by the City Controller on (Date of Countersignature) (the "Agreement").

I, (name of City Controller), City Controller of the City of Houston, certify that the supplemental sum of \$_____, upon the request of the below-signed Director, has been allocated for the purposes of the Agreement out of funds appropriated for this purpose by the City Council of the City of Houston. This supplemental allocation has been charged to such appropriation.

The aggregate of all sums allocated for the purpose of such Contract, including the Original Allocation, and all supplemental allocations (including this one), as of the date of this notice, is \$_____.

SIGNED:

(Signature of the City Controller)
City Controller of the City

REQUESTED:

(Signature of the Director)
Director

(4) The Original Allocation plus all supplemental allocations are the Allocated Funds. The City shall never be obligated to pay any money under this Agreement in excess of the Allocated Funds. Contractor must assure itself that sufficient allocations have been made to pay for services it provides. If Allocated Funds are exhausted, Contractor's only remedy is suspension or termination of its performance under this Agreement, and it has no other remedy in law or in equity against the City and no right to damages of any kind.

E. Special Services Authorizations

(1) At any time during the Agreement Term, the Director may authorize special services to increase, decrease, change, or clarify the scope of work set forth herein and, if required,

the amount to be paid to the Contractor. Contractor shall perform special services with all terms and conditions of this Agreement. Should a conflict arise between the terms and conditions of a Special Services Authorization and the terms and conditions of this Agreement, the terms and conditions of this Agreement shall control.

(2) To be effective, the Special Services Authorization prepared by the Director will be in substantially the following form:

SPECIAL SERVICES AUTHORIZATION

To: (Name of Contractor [the "Contractor"])
From: City of Houston, Texas (the "City")
Date: (Effective date of Special Services Authorization)
Subject: Special Services Authorization pursuant to Contract No. _____ ("Contract") for
Parking Operations and Management Services
between the City and Contractor effective on (Effective Date)

"Subject to all terms and conditions of the Agreement, and the conditions and requirements set forth herein, the City requests:

(Description of the increase, decrease, change or refinement to the scope of services and the corresponding credit against the City's parking revenues or other adjustment, if any, to the Contractor's or City's compensation).

Signed: (Signature of Director)

Fees paid for such additional work shall be at the unit prices set forth herein or for work for which no special rates are specified, at a rate agreed to by the parties.

(3) More than one Special Services Authorization may be given, subject to the following limitations:

- (a) Council expressly authorizes the Director to approve SSA's of an aggregate limit of 5% of the original Agreement amount. Any SSA in excess of this 5% aggregate must be approved by the City Council.
- (b) If a SSA describes items that Contractor is otherwise required to provide under this Agreement, the City is not obligated to pay any additional money to Contractor.
- (c) The total of all SSAs issued under this section may not increase the original Agreement amount by more than **25%**.

(4) Any Special Services Authorization is subject to the provisions of this Agreement. Special Services requiring additional work not described in this Agreement shall be charged

against the Net Revenues otherwise due to the City.

(5) Any Special Services Authorization which purports to describe an increase in work to be performed by Contractor but which in fact describes work already required to be performed by Contractor under the terms of this Agreement shall not entitle Contractor to any additional compensation. If a dispute arises because of an issue of this nature, the parties shall conduct a meeting within five (5) days of the date of the disputed Special Services Authorization. Failure to request a meeting during this time frame constitutes waiver of any right to protect the terms of the Special Services Authorization in this regard. Failing a resolution to the issue at the meeting, a mediator will be hired by both parties (subject to an allocation of sufficient funds by the Director), the cost of which to be evenly divided between the parties. The decision reached by the mediator relating to the issue of whether the work is already required under this Agreement or whether it is additional work shall be final. Upon this determination, the Director may elect to withdraw the Special Services Authorization with no additional payment or obligation to Contractor or may proceed with the Special Services Authorization.

(6) Contractor shall provide all labor, materials, tools, insurance, and incidentals necessary to perform under a Special Services Authorization. Special Services work, if any, shall be completed within the time prescribed in the particular Special Services Authorization; however, if no time for completion is prescribed, such work shall be completed within a reasonable time. If the work described in a Special Services Authorization causes an unavoidable delay in any other work the Contractor is required to perform under this Agreement, Contractor shall be entitled to request a time extension for the completion of any such work. The Director, in his or her sole discretion, shall have the absolute right to grant or deny such a request. Contractor shall not be entitled to damages for such delay.

F. Additions and Deletions

The Director, by means of a written authorization to Contractor, may add or delete Facilities from this Agreement and any items or services provided by Contractor that are reasonably related to the scope of this Agreement. Any additions are subject to the provisions of Section E(3) above. Written notification of the added or deleted Facilities, items or services shall take effect upon the Contractor's receipt of such notice or on such other day as specified therein.

The Director may delete the George R. Brown Convention Center parking lots, including the Super Block parking lots, from the Agreement at any time by sending Contractor written notice at least sixty (60) days in advance. Should the George R. Brown Convention Center parking lots and Super Block parking lots be deleted from the Agreement, all associated expenses and any corresponding revenues, as outlined in Exhibit "B"—Payments, shall cease upon the date specified in Director's notice to Contractor.

The City is evaluating whether to add automated parking gates at some of the surface parking lots, particularly at the George R. Brown Convention Center. Such parking gates will accept cash and/or credit cards and may impact the staffing at the lots where installed. If added to the Agreement, the Contractor will maintain and operate the

automated parking gates and the attendant revenues in the same manner as for other parking equipment and revenues.

Charges for deletions shall be excluded from any sums otherwise due under the Agreement as of the date such notice is received by the Contractor. Charges for additions shall be at the current rates already in the Agreement, or at actual cost, and shall be accounted for in the quarterly reconciliation described in Exhibit "B"—Payments.

VI. TERM AND TERMINATION

A. Contract Term

This Agreement is effective at 12:01 a.m. September 1, 2005 and remains in effect for three (3) years (the "Initial Term"), unless sooner terminated as provided for in this Agreement.

B. Renewals

Unless the Director sends written notice of termination to Contractor at least 30 days before expiration of the then-current term and if sufficient funds are allocated, then, upon expiration of the Initial Term, or first renewal term as applicable, this Agreement will be automatically renewed for an additional one-year term (a "Renewal Term") upon the same terms and conditions, but not to exceed two (2) such one-year Renewal Terms.

C. Time Extensions

If Contractor requests an extension of time to complete its performance, then the Director may, in his or her sole discretion, extend the time so long as the extension does not exceed 90 days. The extension must be in writing but does not require amendment of this Agreement. Contractor is not entitled to damages for delay(s) regardless of the cause of the delay(s).

D. Termination for Convenience by City

The Director may terminate this Agreement at any time by giving 30 days' written notice to Contractor. The City's right to terminate this Agreement for convenience is cumulative of all rights and remedies which exist now or in the future.

On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. Within thirty (30) days after the termination, Contractor shall pay to the City all remaining amounts due under Exhibit "B".

TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES

RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE. SHOULD THE CITY TERMINATE THIS AGREEMENT FOR CONVENIENCE, CONTRACTOR SHALL BE PAID FOR ANY AND ALL VALUE ADDED ENHANCEMENTS REFERENCED IN THIS AGREEMENT THAT HAVE BEEN PAID FOR BY CONTRACTOR, BUT NOT YET DEDUCTED FROM GROSS REVENUES, BY DEDUCTING SUCH AMOUNT FROM THE REVENUES OTHERWISE OWED TO THE CITY.

E. Termination for Cause

If Contractor defaults under this Agreement, the Director may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies which exist now or in the future. Default by Contractor occurs if:

- (1) Contractor fails to perform any of its duties under this Agreement;
- (2) Contractor becomes insolvent;
- (3) All or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or
- (4) A receiver or trustee is appointed for Contractor.

If a default occurs, the Director may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The Director, at his or her sole option, may extend the termination date to a later date. If the Director allows Contractor to cure the default and Contractor does so to the Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the Director may terminate this Agreement on the termination date, at no further obligation of the City.

To effect final termination, the Director must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

F. Termination for Cause by Contractor

Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date. The date must be at least 30 days after the Director receives notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the

default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date.

VII. MISCELLANEOUS

A. Independent Contractor

Contractor shall perform its obligations under this Agreement as an independent contractor and not as an employee of the City.

B. Force Majeure

1. Timely performance by both parties is essential to this Agreement. However, neither party is liable for delays or other failures to perform its obligations under this Agreement to the extent the delay or failure is caused by Force Majeure. Force Majeure means fires, floods, and other acts of God, explosions, war, terrorist acts, riots, court orders, and the acts of superior governmental or military authority.

2. This relief is not applicable unless the affected party does the following:

- (a) uses due diligence to remove the effects of the Force Majeure as quickly as possible; and
- (b) provides the other party with prompt written notice of the cause and its anticipated effect.

3. The City may perform contract functions itself or contract them out during periods of Force Majeure. Such performance is not a default or breach of this Agreement by the City.

4. If the Force Majeure continues more than sixty (60) days, the Director may terminate this Agreement by giving 7 days' written notice to Contractor. This termination is not a default or breach of this Agreement. **CONTRACTOR WAIVES ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE**

TERMINATION EXCEPT FOR AMOUNTS DUE UNDER THE AGREEMENT AT THE TIME OF THE TERMINATION.

5. Contractor is not relieved from performing its obligations under this Agreement due to a strike or work slowdown of its employees. Contractor shall employ only fully trained and qualified personnel during a strike.

C. Severability

If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

D. Entire Agreement

This Agreement merges the prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind, exist between the Parties regarding this Agreement.

E. Written Amendment

Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance adopted by the City Council) and Contractor. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

F. Applicable Laws

This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.

Venue for any litigation relating to this Agreement is Harris County, Texas.

G. Notices

All notices required or permitted by this Agreement must be in writing and are deemed delivered on the earlier of the date actually received or the third day following: (1) deposit in a United States Postal Service post office or receptacle; (2) with proper postage (certified mail, return receipt requested); and (3) addressed to the other party at the address set out in the preamble of this Agreement or at such other address as the receiving party designates by proper notice to the sending party.

H. Captions

Captions contained in this Agreement are for reference only, and, therefore, have no effect in construing this Agreement. The captions are not restrictive of the subject matter of any section in this Agreement.

I. Non-Waiver

If either party fails to require the other to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement.

An approval by the Director, or by any other employee or agent of the City, of any part of Contractor's performance does not waive compliance with this Agreement or establish a standard of performance other than that required by this Agreement and by law. The Director is not authorized to vary the terms of this Agreement.

J. Inspections and Audits

City representatives may have the right to perform, or have performed, (1) audits of Contractor's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Contractor shall keep its books and records available for this purpose for at least three (3) years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

K. Enforcement

The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. Contractor shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Contractor's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

L. Ambiguities

If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

M. Survival

Contractor shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, the indemnity provisions.

N. Risk of Loss

Unless otherwise specified elsewhere in this Agreement, risk of loss or damage for each Product passes from Contractor to the City upon acceptance by the City.

O. Parties In Interest

This Agreement does not bestow any rights upon any third party, but binds and benefits the City and Contractor only.

P. Successors and Assigns

This Agreement binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following paragraph. This Agreement does not create any personal liability on the part of any officer or agent of the City.

Q. Business Structure and Assignments

Contractor shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the Director's prior written consent. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest under §9.318(c) of the Texas Business & Commerce Code. In the case of such an assignment, under Section 9.102 of the Code, Contractor shall immediately furnish the City with proof of the assignment and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee.

Contractor shall not delegate any portion of its performance under this Agreement without the Director's prior written consent.

R. Remedies Cumulative

Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this Agreement except in accordance with its provisions.

S. Contractor Debt

IF CONTRACTOR, AT ANY TIME DURING THE TERM OF THIS AGREEMENT, INCURS A DEBT, AS THE WORD IS DEFINED IN SECTION 15-122 OF THE HOUSTON CITY CODE OF ORDINANCES, IT SHALL IMMEDIATELY NOTIFY THE CITY CONTROLLER IN WRITING. IF THE CITY CONTROLLER BECOMES AWARE THAT CONTRACTOR HAS INCURRED A DEBT, SHE SHALL IMMEDIATELY NOTIFY CONTRACTOR IN WRITING. IF CONTRACTOR DOES NOT PAY THE DEBT WITHIN 30 DAYS OF EITHER SUCH NOTIFICATION, THE CITY CONTROLLER MAY DEDUCT

FUNDS IN AN AMOUNT EQUAL TO THE DEBT FOR ANY PAYMENTS OWED TO CONTRACTOR UNDER THIS AGREEMENT, AND CONTRACTOR WAIVES ANY RECOURSE THEREFOR.

EXHIBIT A

PARKING SCOPE OF SERVICES AND LICENSE

1.0 LICENSE AND USE OF PREMISES

1.1 License

Except as otherwise set forth herein, City grants and conveys to the Contractor an exclusive license to operate, manage and control for the Agreement Term and any Renewal Term and upon the covenants, agreements and conditions set forth in this Agreement and all of its Exhibits, all the public parking serving the Convention & Entertainment Department's Parking Facilities (the "License").

1.2 Pledge and Encumbrance of Pledged Revenues

Contractor shall recognize the prior and superior liens on the Gross Revenues of the Convention & Entertainment Parking Facilities to the payment of the obligations as defined in the City's Agreement with the Houston Music Hall Foundation and the Second Final Official Statement for the Series 2001 Bonds. City reserves the right to pledge additional revenues if necessary. Contractor expressly stipulates that all of Contractor's rights to any payments, revenues, fees, or income of any kind shall be junior and subordinate in all respects to these liens on Gross Revenues of the Convention & Entertainment Parking Facilities.

1.3 Use and Operation

Contractor shall be Licensed to use the Premises only as a parking and storage facility for vehicles and any other purposes incidental thereto, including the right to place any personal property or trade fixtures on the Premises subject to the approval of the Convention & Entertainment Facilities Department Director (the "Director").

Contractor shall institute effective revenue control procedures for the Parking Facilities including (i) procedures to control ingress and egress to the Premises, (ii) procedures for collection of proper fees in accordance with the approved rate schedule in effect, and (iii) staffing uniformed attendants, trained and disciplined to perform their duties in an efficient and courteous manner, who shall be on duty at such times and with personnel in such numbers as to accommodate all contract, daily and event parkers.

1.4 Valet Parking

Contractor shall provide, at the Director's request, valet parking services for events at Convention & Entertainment Facilities as a Special Service. City may specify additional insurance should alternate services be authorized.

As part of the contractual agreement between the Texas Avenue Limited Partnership (TALP) and the City for the redevelopment of the Albert Thomas Convention Center, TALP also has the right to valet park in the Theater District Parking Garages.

Contractor shall have a non-exclusive right to valet park at the Parking Facilities, at the Director's (or her designee's) request, at rates and fees agreed upon by the Director. Contractor shall pay all Direct Costs (which include payroll costs) on valet operations, if valet parking services are requested. Contractor shall account for City's commissions in its monthly statements.

1.5 Designation of Parking Areas

The Director may designate by appropriate signs, parking areas inside or outside the Premises for valet parking, for passenger loading and unloading. City shall construct, inside or outside the Premises, such signs as it deems necessary for traffic direction and control.

1.6 Due Diligence

Contractor agrees to use reasonable diligence in the care and protection of the Parking Facilities during the term of this Agreement and to surrender said premises at the termination of this Agreement in as good condition as received, ordinary wear and tear and other casualty excepted.

2.0 DEFINITIONS

As used herein and for the purposes of this Agreement, the following additional definitions shall apply:

- A. **City Hall Annex Garage**—used for City employee contract parking daily from 6 a.m. - 6 p.m., Monday - Friday and for event parking 5 p.m. - 6 a.m., Monday - Friday as well as 24 hours Saturdays, Sundays and holidays. The City Hall Annex Garage also includes the metered surface lot and associated entry and exit ramps.
- B. **Corporate Customers**—means multiple contract accounts.
- C. **Direct Costs** - subject to the exceptions in Section 3.3, "Direct Costs" includes those actual costs incurred by Contractor, and pre-approved by the Director, to operate and maintain the Premises in accordance with this Agreement. Unless pre-approved by the Director, the total amount of Direct Costs shall not exceed the budgeted amounts set forth in Exhibit "B".
- D. **Director**—shall mean the Director of the City's Convention & Entertainment Facilities Department, or such person as he or she shall designate.
- E. **Fannin Garage**—means the parking garage known as the Fannin Garage located at 1112 Clay Avenue, Houston, Texas.
- F. **George R. Brown Convention Center Surface Lots**—includes seven (7) parking lots surrounding the George R. Brown Convention Center, including the Super Block surface parking lots, and any other lots which may be acquired during the term of this Agreement. Of the seven surface parking lots, lot number six (6) is located on the Texas Department of Transportation's right-of-way, and lot number four (4) is used for employee parking, so no parking fees are collected at those two lots, at least as of the Agreement commencement date.
- G. **The Houston Center for the Arts Parking Lot**—that parking lot on the south side of D'Amico Street between Rosine Street and Rochow Street.
- H. **Houston Police Department Parking Lot**—that City-owned parking lot located near the intersection of Preston and Artesian Streets.

- I. **Imprest Funds**—is a card deposit refund fund maintained in a separate account at Contractor’s designated bank, as approved by the Director.
- J. **Lots C and H**
1. **Lot C:** that parking lot bounded by Memorial Drive, West Capitol, Buffalo Bayou, and Interstate 45.
 2. **Lot H:** that parking lot bounded by Memorial Drive, Interstate 45, and Fonde Recreation Center.
- K. **Parking Facilities or Premises**—includes all parking garages, surface lots, tunnels, stairwells, elevators, entrance ramps, entrance signs and parking equipment owned and/or operated by the Convention & Entertainment Facilities Department. Included are the Theater District Parking Garages, the City Hall Annex Garage, the Fannin Garage, the George R. Brown Convention Center Surface Lots including the Super Block surface lots, Houston Center for the Arts parking lot, Houston Police Department parking lot, Lots C and H, and such other parking garages or parking surface lots as the Director may designate from time to time.
- L. **Performance Incentive**—is defined in Exhibit “B.”
- M. **Revenue or Gross Revenue**—Parking Revenue or Gross Revenue is defined as the sum of Contract Parking Income, Validation Income, and Parking Operating Income. The Revenue upon which the Performance Incentive will be calculated is comprised only of the revenue derived from the charges for customer parking in the Parking Facilities net of sales tax (Net Revenue) as follows:
1. **Contract Parking Income**—that revenue derived from monthly license fee payments by contract parkers. The following are excluded from Contract Parking Income: Exhibitor and group permit sales by the George R. Brown Convention Center, metered parking revenues, and parking fees paid by City employees and City departments.
 2. **Validation Income**—that revenue derived from validation accounts, park and shop accounts and coupons or stamps sold for validated parking. This also includes validated parking revenue for any Convention & Entertainment lessees, adjacent business or event parking. Contractor shall establish procedures to ensure source documentation is maintained and an audit trail enabling verification of validation income on a daily basis for each account billed. The following are excluded from Parking Operating Income: Exhibitor and group permit sales by the George R. Brown Convention Center, metered parking revenues, and parking fees paid by City employees and City departments.
 3. **Parking Operating Income**—all other revenue derived from the fees, rates, and charges for parking in the Convention & Entertainment Parking Facilities collected by the Contractor, including revenue from valet parking. The following are excluded from Parking Operating Income: Exhibitor and group permit sales by the

George R. Brown Convention Center, metered parking revenues, and parking fees paid by City employees and City departments.

- N. **Shuttle Bus**—means a shuttle bus owned by the City of Houston.
- O. **Super Block Surface Lots**—means those two parking lots across the street from the George R. Brown Convention Center, located on the north and south ends of Avenida de las Americas street.
- P. **Theater District Parking Garages**—include the Civic Center Garage, Large Tranquillity Garage and Small Tranquillity Garage, shown on the site map available in the Department’s Parking Operations offices.
- Q. **Tram**—a large multi-passenger golf cart, used to transport Theater District patrons within the Theater District Parking Garages.
- R. **Tunnels**--A map of the Tunnels is available in the Department’s Parking Operations offices.
 - 1. **“Alley Theatre Tunnel” (or “Alley Corridor”)**—a tunnel beginning at the termination of the Bank of America Center tunnel, running along the east wall of the Civic Center Garage and ending at the south end of the tunnel under Texas Avenue (at the commencement of the existing Alley Tunnel).
 - 2. **“City Hall Tunnel”**—refers to a tunnel leading from the south wall of the Large Tranquillity Garage into the basement of the City Hall.
 - 3. **“Jones Hall Tunnel”**—a section of tunnel from the Jones Hall courtyard to the base of the stairs at the tunnel entrance to Bank of America.
 - 4. **“Orange Concourse Tunnel”**—a section of tunnel beginning at the double doors of the Bank of America tunnel and ending at the west end of the Civic Center Garage.
 - 5. **“T-Tunnel”**—refers to tunnel from Large Tranquillity Garage to City Hall Annex Garage. The tunnel also has an entrance into the Hobby Center for the Performing Arts.
 - 6. **“Y-Tunnel”**—refers to the section of tunnel from the west wall of the Civic Center Garage, which is currently out of service until the west end is developed as a commercial enterprise, or the west end of the tunnel opens into the Hobby Center.
- S. **Validation Accounts**—are invoiced bill-backs for approved passes previously issued through pre-arranged agreements.

3.0 **STANDARDS OF OPERATION**

3.1 **Compliance**—The Contractor shall operate and manage the parking system referred to herein with energy, fidelity, high standards of customer service, courtesy, and diligence and in full compliance with all terms of this Agreement and will follow all specifications set forth in this

Exhibit "A". The Contractor recognizes the special interest of the City to render the highest possible quality of courteous service to all customers of the parking system. Contractor further agrees and covenants that the City will have full and complete authority in determining compliance by Contractor with the standards specified herein, and will at its discretion enforce these standards to the fullest extent as set out in this Agreement.

3.2 Equipment and Supplies—Contractor shall furnish all materials and supplies necessary to properly perform the required activities as specified under this Agreement. Contractor shall furnish, at a minimum, basic operating and maintenance equipment and supplies as required in this Exhibit "A."

3.3 Expenses borne by Contractor

The following items are not a Direct Cost and shall be borne solely by Contractor: four golf carts, golf cart repairs, and golf cart fuel, time clocks for business offices, sixteen (16) high quality radios, three (3) cell phones, one power washer, quarterly customer service seminars, quarterly internal audits performed by Contractor's Regional Auditor, and all insurance claims up to deductible amounts. No substitutions are allowed without the Director's express written approval, in advance.

Additionally, Contractor shall be responsible, at its expense, for all necessary repairs and replacements to the above-mentioned equipment. Contractor shall also ensure that a member of its upper management staff is available for meeting at the Department's Parking Operations offices on a weekly basis, or less often, as deemed necessary by the Department's Parking Operations managers.

The City currently owns all of the computers in the office that houses the access control system and access to the network. With the Director's approval, Contractor may purchase additional computers at its expense; however, any information contained therein shall belong to the City and shall be transferred by the Contractor to the City as of the expiration date of this Agreement in the form specified by the Director. The City owns the license for the accounts receivable software PARIS (Parkers Accounts Receivable Information System), which will be integrated with the access control system once the Fannin Garage installation is complete. Currently all of the furniture in the parking offices is owned by the City. If Contractor wishes to add additional furnishing or if there is a need for replacement due to neglect, then the Contractor shall replace or add furniture at its expense.

3.4 Standards—The Contractor shall operate, maintain and repair the Parking Facilities for the City, in accordance with and pursuant to the provisions of this Agreement and subject to such rules and regulations and schedule of rates, rents, fees, and charges including any revision thereof, from time to time in effect, as prescribed by the City. It is understood by the parties that nothing herein shall alter the Contractor's status as an independent contractor. The Contractor shall operate, maintain, repair and manage the Parking Facilities according to such high standards as generally prevail in connection with the operation of a first class parking operation of comparable size and location and in accordance with the following standards:

(1) The Contractor shall maintain the Parking Facilities in a neat and orderly fashion acceptable to the City's standards as contained in this Agreement.

- (2) The Contractor shall provide high quality maintenance appropriate for the multi-level and surface Parking Facilities with suitable care for aesthetic, architectural, access equipment, and other related aspects and elements in a manner consistent with the recommended maintenance and treatment as specified, taking into consideration those maintenance and treatment procedures specified by the applicable manufacturer or supplier.
- (3) The Contractor shall operate the Parking Facilities to render first class, high quality, courteous service to all persons utilizing the Parking Facilities.
- (4) The Contractor shall operate and manage the Parking Facilities with fidelity, integrity, diligence, and in full compliance with the terms and intent of this Agreement.
- (5) **Signs**—Contractor shall not erect, maintain or display any signs or other advertising without first obtaining the written approval of the Director or Director's designee.

4.0 STATEMENT OF WORK

- 4.1 Generally**—Operational details are further set forth and clarified in the “Policies and Procedures Manual for Convention & Entertainment Parking Operations,” on file in the Department’s Parking Operations offices, as may be amended from time to time. Anything in the Policies and Procedures Manual in conflict with this Exhibit “A” shall be superseded by the terms of this Agreement or this Exhibit "A.”

Contractor shall provide the labor, materials, and services necessary to perform the following general services:

- 4.2 Theater District Parking Garages** are to remain open twenty-four (24) hours per day seven days per week, using a gate schedule approved by the Director, with a minimum of one (1) entrance, Entrance #1 off Rusk Street, open twenty-four (24) hours per day, seven (7) days per week. The tunnel system from Jones Hall to the west end of the Orange Concourse Tunnel shall also remain open twenty-four (24) hours per day, seven (7) days per week unless the Director determines otherwise. The Y-Tunnel shall also remain open twenty-four (24) hours a day when it is re-opened.
- 4.3 George R. Brown Convention Center Surface Lots and Super Block Surface Lots** shall be opened and operational as detailed in Section 7.12 of this Exhibit "A."
- 4.4 Fannin Garage** shall be open for business from 6:00 a.m. to 9:00 p.m., Monday through Friday and on scheduled evenings and weekends for event parking.
- 4.5 Lots C and H** shall be used for parking for primarily City employees Monday through Friday, from 6:00 a.m. to 6:00 p.m. but shall be open for scheduled event parking at other times, as detailed in Section 15.2 of this Exhibit “A.”
- 4.6 The Houston Center for the Arts Parking Lot** shall be operated as directed by Director, which may include coin boxes, as described in Section 16.1 of this Exhibit “A.”

- 4.7 **City Hall Annex Garage and metered surface lot** shall be open 24 hours per day, including weekends and holidays. Metered parking revenues are collected by the City's Municipal Courts Department.
- 4.8 **Houston Police Department Parking Lot**, which is used by Houston Police Department employees during weekdays, shall be staffed as requested for public parking after 6:00 p.m. on Fridays and on weekends and holidays. This parking lot is estimated to have 50 special event staffed hours per year.

5.0 **SERVICES BY CONTRACTOR**

5.1 **Revenue Collections**—The Contractor shall provide and perform services related to Revenue collections, recording, deposit, and reporting of parking fees as follows:

- (a) Provide and maintain under the Agreement a qualified on-site clerical staff with sufficient accounting experience and knowledge to perform a variety of accounting functions as outlined by the Convention & Entertainment Accounting Office.
- (b) The Contractor shall follow generally accepted accountability controls and shall collect, count and verify all receipts for operation of the Parking Facilities. The Contractor covenants and agrees that all Gross Revenues of the Parking Facilities, including collection of any rates, rents, fees, charges, and all other income derived or arising from or in connection with the operation and maintenance of the Parking Facilities shall be collected and deposited daily (or, for weekends or holidays, on the next business day).
- (c) The Contractor shall file with the City a Daily Bank Deposit Summary of such daily deposits.
- (d) The Contractor shall maintain an Imprest Fund for refund of parking access card deposits to monthly contract parkers.

5.2 **Contractor Services**

The Contractor shall:

- (a) Provide sufficient staff so that there shall be efficient entry and egress to Parking Facilities during all operating hours.
- (b) Provide sufficient staff to provide effective traffic control within all Parking Facilities. NOTE: Contractor is responsible for providing traffic control personnel sufficient to meet all event requirements. All event traffic control plans, including use of security, are subject to approval by Director or her designee.
- (c) Keep all revenue and traffic control equipment in the Parking Facilities in good repair and operating condition, normal wear and casualty excepted. All repair work other than minor adjustment shall be done by the equipment manufacturer's authorized repair agents as a Direct Cost. **NOTE: Both during the Agreement**

and at the end of the Agreement, all revenue and traffic control equipment must be in fully operational condition.

- (d) **Parking Operations Supplies**—Contractor shall purchase all regular and event parking tickets, monthly hang tags, validation stamps or coupons, bank deposit slips, and any and all other devices used in the parking and revenue control system. The City shall approve the form, format, colors, wording, and serial numbers of all such items. Contractor shall be responsible for the storage, control, and accounting for all parking or revenue control items. All such items shall be delivered to the City initially for recording and issue to Contractor.
- (e) Perform high quality housekeeping on the premises to keep the Premises clean and free of trash at all times. Contractor shall provide means for trash disposal as a Direct Cost.
- (f) Clean and paint as needed all parking equipment and booths.
- (g) Post and maintain professionally prepared parking rate signs at each entrance and exit. Signs must be approved in advance by the Director.
- (h) Furnish forms, uniforms and tools, and all office equipment, telephone and electrical hook-ups, furniture, materials, and supplies needed for the efficient operation of its business.
- (i) Promptly repair any damages to the Convention & Entertainment Parking Facilities or equipment caused by the negligent acts or omissions of its employees, agents, or contractors.
- (j) Promptly and courteously respond to complaints or problems of patrons.
- (k) Maintain and clean George R. Brown Convention Center Surface Lots by 8:00 a.m. daily.
- (l) Be provided with a duplicate key to all locks, doors, gates, etc., for the Parking Facilities, within 24 hours of the effective date of the Agreement. Upon expiration or termination of the Agreement, Contractor shall return all such keys to the Director.
- (m) See Sections 9.0, 10.0, and 11.0 of this Exhibit "A" for Specific Maintenance Requirements.
- (n) Furnish traffic control devices:
 - 1. Cones with reflective tape, with stenciling
 - 2. Traffic barricades
 - 3. Removable lane dividers
- (o) Furnish car stops where needed and replace when broken.

5.3 Emergency Services

Contractor shall administer emergency services, free of charge to parking patrons. The services will include but not be limited to:

- 1) Jump starting vehicles;
- 2) Inflate low/flat tires and/or install replacement spares; and
- 3) Car search/ locating assistance.

5.4 Coordination with Security Contractor

From time to time, the Contractor will coordinate services with the Department's security contractor, for example, for the purpose of controlling traffic and providing security coverage for event cashiers. The City's contractors should cooperate with each other in accomplishing the goals of the Department. Questions about responsibilities, such as Contractor's role in traffic control, or other matters involving another City contractor, should be directed to the Director or the Department's Parking Operations management office.

Contractor shall hire off-duty Harris County Sheriff's Department or Houston Police Department employees (one per shift), who will work during day and evening hours as requested. (Estimated as two shifts per day, six days per week.)

5.5 Special Event Services

The Director reserves the right to require Contractor to provide special event services, including but not limited to, Event Parking at facilities where such parking is not a part of the regular schedule (parking as required by the Director for special events occurring at night and/or on weekends, such as parades or festivals), from time to time, by sending Contractor at least two (2) days' advance written notice.

Contractor shall charge the parking rates for such special events as shall be determined by the Director.

5.6 Contractor's Office and Equipment

Contractor shall be responsible for furnishing a professional, presentable office area within the Theater District Parking Garages and Fannin Garage and for any necessary refurbishment of those offices including paint, new carpeting, workstations, and chairs. Removable office furniture and office equipment belonging to the Contractor shall remain the property of the Contractor upon the expiration of this Agreement, provided Contractor removes same within ten days following the expiration of the Agreement. If Contractor fails to remove its office furniture and office equipment within ten days following the expiration of this Agreement, such equipment shall become the property of the City and the City may dispose of the equipment as it chooses.

5.7 Parking Enhancements

Contractor shall perform an extensive analysis of the overall parking system and submit its recommendations as to what items should be purchased for general improvements and upgrades to the Parking Facilities. Upon receipt of written approval from the Director, Contractor will proceed with making the following, or similar, general improvements and upgrades.

Proposed Enhancements

<u>Item Description</u>	<u>Estimated Costs</u>	<u>Estimated Install/Arrive/Complete Dates</u>
Credit Card Out Equipment (credit card capability)	\$ 15,000.00	Subject to Director's advance written approval
Power Scrubber Overhaul	\$ 1,750.00	October 2005
Walk Behind Scrubber	\$ 7,000.00	October 2005
Sweeper/Scrubber Trailer	\$ 4,000.00	October 2005
Value Card Implementation	\$ 7,500.00	December 2005
PARIS and SCAN Net Integration	\$ 2,500.00	December 2005
Entry/Exit Lane Monitoring System For Traffic Management	\$ 95,000.00	February 2006
Digital Pay for City Hall Annex Parking Garage	\$ 20,000.00	Subject to Director's advance written approval
GRBCC Tram	\$ 7,000.00	Subject to Director's advance written approval
Money Counting Room	\$ 5,000.00	Subject to Director's advance written approval

All maintenance, repair and replacement costs of equipment and enhancements approved by the Director shall be a Direct Cost. Upon termination of this Agreement, all equipment and enhancements shall remain the property of the City, unless the equipment or enhancements are deemed to be Contractor's property, as specified herein.

5.8 Amenity Programs

Contractor may implement amenity programs it proposes, subject to the Director's prior approval and shall perform related services at the request of Director. The types of services to be provided and any rates to be charged the parking customers should be approved by the Director in writing prior to implementation. Amenity programs include plans such as described in the following Sections 5.8.1 through 5.9.

5.8.1. Customer Service

Contractor shall make customer service a priority and strive to improve services to the parking customers, for example, by thinking of strategies to improve the commuter experience. Specific customer service programs could include such items as customer surveys, employee hotline, customer appreciation day, and window washing programs.

Contractor's employees must speak and read English and be able to accurately and confidently direct customers who need help.

Auto Detailing/Car Wash Service—With Director's prior written approval, Contractor or its subcontractor shall operate an Auto Detailing/Car Wash Service program for Theater District Parking customers, either administered off-site, or established in a remote location within the Parking Facility.

With Director's prior written approval, Contractor shall also pursue an agreement to arrange for minor auto repairs for Theater District Parking customers, such as fixing flat tires, windshield chips, charging batteries, etc., with an auto repair shop off site. Contractor would facilitate any such service. The quality and scope of work would be between the customer and the auto repair shop. If disposal of automobile parts or fluids (such as tires, batteries, or oil) should become necessary for any reason, Contractor would be responsible for disposing of such items off site in an environmentally sound manner, in compliance with all laws and regulations.

Books on Tape—With Director's approval, Contractor shall implement a "books on tape" program. Books on Tape is a program that allows customers to borrow audiotapes from the Theater District parking management office to listen to during their commutes to and from work each day. This program will be marketed to the monthly parkers.

Customer Service Workshops—Contractor shall conduct quarterly customer service workshops for all on-site personnel as described in Contractor's proposal. The workshops will be performed over a two-day period in two shifts to allow all employees to attend at least one session.

Locksmith Services—Contractor may subcontract with a locksmith to provide customers with vehicle lockout assistance at a reduced rate.

Vehicle Assistance Program—Contractor shall provide a well-trained person or persons to assist customers who have a flat tire or a dead battery. Contractor shall provide the necessary equipment to facilitate this service including portable battery chargers, tools, and air compressors.

Contractor's customer service programs shall follow a set of clear principles:

- Set clear and measurable standards of performance.
- Train managers and attendants to deliver superior service.
- Measure the quality of service provided and share the results with City.
- Guarantee performance and empower employees to immediately solve problems, within parameters set by Department's Parking Operations Division.
- Tie managers' and attendants' performance reviews to customer satisfaction results.

Contractor will conduct customer surveys as requested by the Director. In customer surveys, parking customers are asked to comment on various aspects of the parking experience. Contractor will distribute surveys to the parking customers, to be returned directly to the Director with comments and overall results, along with an action plan for any new ideas based upon the customers' feedback. Frequency of the reports will be as often as requested by the Director, but not more often than quarterly.

If a customer survey provides a name and address, Contractor will reply as appropriate to the individual parkers. If a customer reports a problem, Contractor's customer service manager will personally call the parker to further research the circumstances and resolve the issue. If a comment card is favorable, a letter will be sent to the parker, thanking them for their comments.

To remain receptive to parking customers' concerns, Contractor will make a customer service hotline number known, as directed by the Department's Parking Operations managers. Each parking location manager will then receive feedback about the customers' concerns and/or suggestions.

5.8.2. Communication: Contractor shall increase communications about parking amenities, if requested by the Director. Any written parking communications that will be widely distributed, such as newsletters or brochures, should be approved by the Director prior to distribution.

5.8.3. Quality Control: Contractor shall make improvements or add services in response to feedback from parkers, with Director's prior approval. Contractor shall conduct customer surveys and develop comment cards to obtain feedback from parkers as the Director deems necessary.

Internal Audits--Contractor shall perform a quarterly internal audit of the Parking Facilities. A complete audit report will be provided to Contractor's upper-level management and to the Director or his/her designee. Members of the City's staff may accompany Contractor's auditors if they desire. The focus of the audits will be of the following of proper accounting procedures as detailed in Contractor's Accounting Guide, on file in the Director's office. Contractor shall mandate strict compliance with standard accounting procedures.

Contractor's manager, ticket auditor, another cashier, or bookkeeper shall perform internal revenue audits on each individual shift report. To maintain a separation of accounting duties, cashiers shall not audit the same tickets that they themselves have collected for any shift. Contractor shall furnish the Department's Parking Operations offices with written in-house revenue reports at least monthly, or less often if requested, generated by Contractor's computerized revenue tracking system. Contractor's computerized revenue tracking system shall not only track revenue, but also individual tickets, rates, monthly rates, and validation types for each location, as well as missing tickets, cancelled transactions, and exception (no charge) tickets. Tickets should be kept and reviewed in transaction order sequence to minimize the occurrence of discrepancies.

Mystery Parker Program—Contractor shall implement the "Mystery Parker" Program described on page 47 of Contractor's proposal, on a quarterly basis. In the Mystery Parker Program, an individual chosen by Contractor poses as an ordinary parker and rates the treatment

he or she receives. Positive feedback results in a favorable review and immediate reward, such as a dinner for two or film tickets. Negative feedback leads to constructive criticism, target points for improvement, and no reward. If mutually agreed upon by Director and Contractor, changes may be made to the Mystery Parker Program as the Agreement progresses.

5.9 Advertising Program

The City reserves the right to implement and operate its own parking garage advertising program and retain all of the revenues. The City will retain complete control over the content of advertisements and their placement in the Parking Facilities.

Upon receipt of Director's written request, Contractor shall implement a parking garage advertising program. If Contractor's parking garage advertising program is implemented, revenues will be split between the City and the Contractor equally (50% to each). The City will retain complete control over the timing, pricing and placement in the Parking Facilities. All laws applicable to the City in this area shall apply to the Contractor.

5.10 Contractor's Phase-In

Contractor must be prepared to accomplish a smooth and successful transition of parking operations and services and will have a phase-in period of *up to* thirty days (30) prior to the start of the Agreement. Contractor's phase-in period shall begin upon receipt of a start phase-in notice from the Director (such notice not to be construed as an official Notice to Proceed, but being anticipatory of phase-in only) and shall last until the commencement date of the Agreement. The incumbent vendor shall be responsible for performing the duties and services listed in its contract during the phase-in period.

During the phase-in period, Contractor shall arrange to have necessary supervisory, technical, and other personnel on site to observe the operation of the incumbent's parking operations and management services. Contractor may use this phase-in period to recruit and transfer personnel, train personnel, arrange for badging, establish management procedures, set up records, ensure adequate equipment is in place for parking operations, and otherwise prepare for the assumption of control without disruption of operations. During the phase-in period, it shall be the responsibility of Contractor to develop and implement a full project schedule detailing the responsibilities of assigned personnel and submit it to the Director for her approval. Contractor shall have no responsibilities for operating or maintaining the Parking Facilities during the phase-in period. The phase-in period will end at the beginning of the Agreement Term, at which time Contractor shall assume full responsibility for the operations of the Parking Facilities.

For those incumbent parking employees that the City wishes Contractor to retain, Contractor shall grandfather the tenure of those employees by carrying over their years of service at the Facilities working under the previous contract for vacation purposes and shall ensure that their salaries are not decreased.

Contractor shall perform the phase-in services listed above at no cost to the City.

5.11 Contractor's Phase-Out Services

Contractor recognizes that the services provided under this Agreement are vital to the City's overall efforts to provide safe and efficient parking services; that continuity thereof must be maintained at a consistently high level without interruption; that upon expiration of the Agreement a successor may continue these services; that its successor Contractor shall need Phase-in training; and that Contractor must cooperate in order to effect an orderly and efficient transition.

Accordingly, Contractor shall be required to provide phase-out services for up to thirty (30) days prior to Agreement expiration to its successor Contractor at no extra charge to the City. Phase-out orientation shall comprise a maximum of 30 working days, 8 hours per day. Orientation may include system operations procedures, record keeping, reports, and procurement procedures, etc. Contractor shall be totally responsible for providing the services called for by this Agreement during its phase-out period. Contractor agrees to cooperate with its successor contractor in allowing as many personnel as practical to remain on the job in order to enhance the continuity and consistency of the services in the Agreement. Contractor agrees to disclose necessary personnel records and allow its successor to conduct on-site interviews with its employees, provided Contractor obtains the consent of said employees to disclose their records and to conduct such interviews and provided such disclosure and interviews are conducted in accord with all applicable laws, statutes, rules, regulations, and ordinances which have been passed, enacted or promulgated by any governmental body having jurisdiction over such matters.

All Documents in Contractor's possession, including data maintained in computers, prepared for or pertaining to the Agreement, shall be released to the City on a monthly basis throughout the term of this Agreement and upon Agreement expiration or termination.

6.0 REVENUE COLLECTIONS

6.1 Parking Rates

- A. **Generally** - Contractor shall assess the parking rates as approved by City Council, as specified in the Code of Ordinances and by the Director. Either City Council or the Director may change the parking rates from time to time.
- B. **Renegotiation of Parking Rate Schedules** - The Contractor may make recommendations to the City concerning change in the parking rate schedules; however, the Contractor acknowledges that the City has sole authority to adjust the rates. It is understood and agreed by the parties that any future increase or decrease in the local or state sales taxes may be reflected in revised parking rates or absorbed into the existing rates.
- C. **Promotional Rates** - The Director, if authorized by City Ordinance, may approve promotional rates to ensure competitiveness with neighboring commercial parking operations to include:
 - 1. "Early Bird" prepaid special rate ticket.
 - 2. Special Daytime Event Ticket - for daytime Monday - Friday events only.

3. Contract Parking Promotional Specials.

6.2 **Billing** - The Contractor shall bill corporate customers by forwarding to their address a statement for the receivable due the City. Such statements shall be mailed not later than the 25th day of each month for the charges due for the succeeding month. Validation accounts may be billed not later than the fifth (5th) day of the month for the preceding month.

All matters involving collection and billing for City of Houston departments (e.g., Houston Police Department) should be directed to Parking Operations management.

6.3 **Invoices** - The Contractor shall handle invoicing to, and collection of, parking fees from individuals, corporations, and organizations with the exception of City employees and departments.

6.4 **Contract Parking**

a. The Contractor is responsible for issuing and canceling monthly contracts, contract access cards, the collection and refund of contract access card deposits, and collection of monthly contract parking fees. The Director shall specify the form of the individual parking contracts. The Contractor shall maintain its own imprest funds to refund monthly contract parkers any refunds that are due them.

b. Contractor shall maintain a change fund for daily and event parking.

6.5 **Returned Checks** - The Contractor is responsible for collection of returned checks tendered by customers that are returned unpaid by the bank.

6.6 **Complimentary Passes** - The Director is authorized to give complimentary passes to clients and for special City sponsored events or promotions.

6.7 **Reserved Parking** - The Director may reserve and request that spaces be reserved and roped off for conventions and other groups using the Parking Facilities.

6.8 **Free Parking** - No Convention & Entertainment or Contractor staff member shall have the authority to validate tickets for free or discounted parking without the approval of the Director.

6.9 **Accountability Controls** - The Contractor shall maintain generally accepted accountability controls for safeguard of City equipment, which generally consists of the following:

- A. Parking Ticket Inventory (daily transient and event parking)
- B. Gate Access System (Federal APD System), inclusive of computer hardware, software and documentation.
- C. Keys to ticket spitter boxes and gate arms.
- D. Power Scrubber
- E. Motorized Sweeping Machine
- F. All other equipment and supplies provided by City.

7.0 CONTRACTOR'S EMPLOYEES

7.1 Employees of Contractor-- Contractor shall recruit, hire, train, promote, discipline, and supervise all the personnel employed in the operation and maintenance of the Parking Facilities, including all supervisors, foremen, and other of its employees performing services in and about the Premises. Contractor shall determine the number, qualifications, and functions of the parking employees, and provide required staffing as specified by the Director. Contractor will provide its policies and procedures for hiring and conducting background checks. Contractor shall use reasonable care to employ and retain employees who are qualified, competent, and trustworthy. Parking employees shall be employees of the Contractor. All employees with cash handling responsibilities shall be bonded. Contractor, pursuant to this Agreement, shall determine all labor and personnel policies.

Contractor agrees to pay wages at a minimum:

Event Cashiers: \$6.30/hr.

Rover Cashiers: \$6.50/hr. (Rover cashiers bring money back to the Parking office.)

Booth Cashiers: \$6.75/hr. with a median hourly wage is \$7.75/hr.

7.2 Project Manager and Assistant Project Manager--Immediately upon execution of this Agreement, Contractor shall appoint a Project Manager and an Assistant Project Manager who shall be the senior officials of the Contractor's employees engaged for this Agreement. The Project Manager and the Assistant Project Manager shall be available to the Director continuously during normal business hours and at least one of them shall be available at all times during evening and weekend hours, shall each carry a pager and a cell phone, not be engaged in any other business of the Contractor, and shall be on-call for any emergency during non-business hours. The persons appointed as the Project Manager and the Assistant Project Manager are subject to the written approval of the Director.

The Project Manager will expected to perform tasks including, but not limited to, the following:

- Communicate with City staff on a daily basis regarding operational issues.
- Supervise special projects and reporting
- Review and approve monthly financial statements.
- Generate weekly operational reports covering the week's activities, financial projections, and special projects.
- Inspect the Parking Facilities, making sure cleanliness standards are maintained.
- Monitor the shuttle operations.
- Hold weekly staff meetings.
- Provide guidance and assign special projects to Contractor's support staff.
- Oversee marketing program for new contract parkers.

The Assistant Project Manager will work closely with the Project Manager and will assist the Project Manager in fulfilling his or her duties.

7.3 GRBCC Parking Manager and GRBCC Parking Supervisor—Contractor shall appoint a Manager and a Supervisor who shall be the senior officials of the Contractor's employees engaged at the George R. Brown Convention Center. The GRBCC Parking Manager and the GRBCC Parking Supervisor shall have functional cell phones and radios and be available to the Director continuously during normal event hours and shall be on-call for any emergency during non-business hours. The persons appointed as the GRBCC Parking Manager and GRBCC Parking Supervisor are subject to the written approval of the Director.

7.4 Fannin Garage Manager—Contractor shall appoint a Manager who shall be the senior official of the Contractor's employees engaged at the Fannin Garage. The Fannin Garage Manager shall be available to the Director continuously during normal business hours and shall be on-call for any emergency during non-business hours. The person appointed as the Fannin Garage Manager is subject to the written approval of the Director.

7.5 Dedicated Employee Service—No employee of the Contractor required by this Agreement will perform any duties whatsoever for the Contractor that are associated with any other parking facility outside the scope of this Agreement during the time they are required to be on duty to provide services hereunder.

7.6 Personnel Report—Contractor shall provide a complete and accurate listing of the names and positions of all Contractor's employees who perform services in the Parking Facilities to the Director monthly.

7.7 Personnel Changes—The Director shall have the right to object to the use of any of Contractor's employees. Upon objection by the Director, Contractor shall remove the employee from the Parking Facilities and the Contractor's fee may be adjusted accordingly. Removed administrative employees shall be replaced within two weeks and removed operational staff shall be replaced immediately (or within 24 hours, if operations will not otherwise be disrupted). Replacement employees shall be appropriately trained in advance to fill the position.

7.8 Complaints—Upon receipt from the City of any complaint concerning the conduct, demeanor or appearance of any of Contractor's employees, Contractor shall promptly take steps to investigate and correct, where warranted, the condition which gave rise to the complaint.

7.9 Uniforms—Attendants and custodians (including maintenance personnel) at all times shall be dressed in uniforms which are distinctive in appearance, neat, clean and include photo identification tags identifying the employee and name of Contractor. Personal articles of clothing such as hats and jackets are not allowed. Personnel required to work outside shall be supplied with boots, winter jackets and raincoats (bearing the Department's name and insignia). The Director shall have final approval of uniform style. Theater District uniforms include blue polo shirts and windbreakers in the same shade of blue as in the Theater District Parking signs. George R. Brown Convention Center parking attendants should wear red shirts and jackets to match the building's main accent color.

All personnel shall have good personal hygiene, have a well-groomed and neat appearance (for instance, shirt tucked in, appropriate pants and shoes, etc.), and provide friendly service to customers. Contractor shall provide the uniforms to its employees. Contractor's employees shall continue to wear Contractor's uniforms, unless the Director requests a change in uniforms. The

Director may request a change in uniforms by sending a written request to Contractor. Contractor will then have thirty (30) days from receipt of the written notice to effect the requested change in uniforms.

7.10 Duty Pre-assignment and Training - Contractor agrees to establish a system of pre-assignment of personnel to positions and schedules as listed in this Section. **In-service training programs such as operating manuals, instructional programs and equipment for training all Contractor's employees shall be submitted to and approved by the Director and be sufficient in scope to produce the high quality service required hereunder.** Contractor shall include or add to its employee training programs the specific activities listed in Section 7.11. Contractor shall notify the Director if the training of any employee has not been completed prior to the employee assuming unsupervised duty.

7.11 Training - Contractor shall establish a comprehensive training program for its employees. Specific areas to be addressed in training of employees shall be accomplished initially by formal instruction. Contractor shall provide a minimum of at least eight (8) hours of on-site training to all new hire cashiers and event ticket attendants before each such employee assumes duty.

Contractor shall produce written instructions for its personnel to follow. Any employee with responsibility of training another in any area shall demonstrate such knowledge to the Director upon request. Failure to satisfactorily demonstrate knowledge shall be grounds for the determination of an unsuitable training program, which shall be considered an event of default hereunder. **Written instructions supplying as complete and accurate information as possible shall be written for the:**

- (1) Managers
- (2) Bookkeepers
- (3) Cashiers
- (4) Maintenance Workers
- (5) Event Ticket Attendants
- (6) Other personnel

Written procedures shall be prepared for:

- (1) Fee computer operation.
- (2) Any parking control equipment which will be serviced internally.
- (3) Emergency procedures, e.g., fire, accident, medical emergency, hold-up, bomb threat, elevator malfunction, freeze, hurricane, flood. (Director's written approval is required.)
- (4) Accounting policies and procedures.
- (5) Customer relations.
- (6) Dress code.

Additionally, Contractor shall follow the City's Parking Operations' Policies and Procedures Manual, on file in the Parking Operations offices, as may be amended from time to time. **The Contractor's Employee Manual shall be submitted to the Director within 30 days after this Agreement begins. Updates should be made periodically, as required, and shall be forwarded**

to the Director. All procedure manuals shall be available at the Contractor’s on-site office at all times.

7.12 Personnel Requirements—The Contractor shall employ a sufficient number of competent personnel for the proper operation of the Parking Facilities in conformity with these standards. The minimum number of employees shall be as specified by position and shift as provided in this Section. Contractor agrees that all offices will be manned continuously on weekdays (7:00 a.m. – 6:00 p.m.). Any changes in the minimum number of employees or the shifts to be worked may be approved at the discretion of the Director.

Contractor shall list the duties and job responsibilities of all positions. Other duties may be added, as deemed by the Director.

The minimum number of employees and shifts required shall be as follows, although number of employees and hours are subject to change, as deemed necessary by the Director and Department’s Parking Operations managers:

A. Office & Administrative Staff:		
Position	Estimated Hours	Minimum Annual/Hourly Salary
Project Manager	8:30 a.m. - 5:30 p.m. M-F	\$ 51,500 per year
Assistant Project Manager	7:00 a.m. - 4:00 p.m. M-F	\$ 40,000
Accounting/Office Manager	8:00 a.m. - 5:00 p.m. M-F	\$ 40,648
Bookkeeper	8:00 a.m. - 5:00 p.m. M-F	\$ 26,000
Parking Systems Analyst (monitors and controls parking access control system)	8:00 a.m. - 5:00 p.m. M-F	\$ 34,500
Night/Events Manager	3:00 p.m. - 12:00 a.m. M-F	\$ 30,500
Assistant Night/Events Manager	Variable eight hour shifts	\$ 11.00 per hour
Supervisor (Events)	Variable eight hour shifts	\$ 9.00 per hour
Supervisor Weekend/ Events	Variable eight hour shifts	\$ 9.00 per hour
Fannin Garage Manager	8:30 a.m. - 5:30 p.m. M-F	\$ 30,500
GRBCC Parking Manager (to be stationed at the GRBCC)	Variable eight hour shifts	\$ 34,000
GRBCC Parking Supervisor	Variable eight hour shifts	\$ 11.00 per hour
Shuttle Driver—Lead	6:30 a.m.–6:30 p.m. 40 hrs/wk	\$ 12.50 per hour
Shuttle Driver 1	6:30 a.m.–6:30 p.m. 40 hrs/wk	\$ 11.50 per hour
Shuttle Driver 2	6:30 a.m.–6:30 p.m. 40 hrs/wk	\$ 11.50 per hour
Uniformed Police Officers		\$ 25.00 per hour

B. Cashiers:		
For Theater District Parking and Fannin Garage: Minimum total of 10 Booth Cashiers		
Exit booths in Convention & Entertainment Parking Facilities are to operate Monday through Friday a minimum of the following hours:		
<u>Cashier Booth Location</u>	<u>Estimated Hours</u>	<u>Minimum Salary</u>
Entrance #1 (Old Rusk)	24 Hours a Day	\$ 7.75 per hour
Entrance #2 (New Rusk I)	Open from 6:00 a.m. - 2:00 a.m. M – F Collections	\$ 7.75 per hour
Entrance #2 (New Rusk II)	Open from 10:00 a.m. - 6:00 p.m. (variable) M – F Collections	\$ 7.75 per hour
Entrance #4 (Old Capitol)	Open from 10:00 a.m. - 10:00 p.m. M – F Collections	\$ 7.75 per hour
Entrance #7 (Texas Avenue)	Open from 1:00 p.m. - 10:00 p.m. M – F Collections	\$ 7.75 per hour
Fannin Garage	80 hours per week	\$ 7.75 per hour
<u>Event Cashiers</u> (Number varies depending on event schedules)	as needed for events	\$ 6.30 per hour
See annual estimated event hours, below.		

Annual Estimated Event Hours:

The following annual estimated event hours are subject to change.

48,000 hours at Theater District Parking Facilities (including Lots C and H and City Hall Annex)

13,500 hours at George R. Brown Convention Center (including Super Block parking lots)

Director reserves the right to close some or all lots temporarily or permanently for purposes as may be appropriate.

NOTE: The following Exits are presently reserved for contract parkers and do not normally require a cashier at the exit booth:

Exit #4 (old Capitol)	6:00 a.m. – 10:00 a.m. Contract Exit Only, M - F
Exit #5 (new Capitol)	24 hour Contract Exit Only, M - F
Exit #7 (Texas)	6:00 a.m. – 1:00 p.m. Contract Exit Only, M-F
Exit #8 (Prairie Street)	6:00 a.m. - 6:30 p.m. Contract Exit Only, M - F

- C. **Event Ticket Attendants:** Event tickets for the Theater District Garages are issued generally from 5:00 p.m. until 6:00 a.m. Monday through Friday and all day and evening Saturday, Sunday and holidays. Ticket attendants shall be at their post at least two hours before an event begins.

Operation of entrance ramps will be as required by events with the exception of Entrance #1, which shall be staffed twenty-four (24) hours per day, seven (7) days per week unless otherwise requested by the Director. In addition, Entrance #7 (Texas Avenue entrance/exit) must be staffed one and one half (1 ½) hours before an event is scheduled at the Alley Theatre. The exit side shall remain open until all cars have cleared the garage, or other such time as mutually agreed upon by the Director. The hours may be adjusted at the discretion of the Director.

NOTE: Double laning by Event Ticket Attendants to increase the rate of ingress into the garages will be required when necessary to alleviate traffic back-up onto the street above.

The schedule will determine the staffing times and locations.

- D. **George R. Brown Convention Center Event Ticket Attendants:** Contractor must meet Event Ticket Attendant staffing standards established by the City.

The minimum number of event personnel required is based on projected attendance for the events. Projected attendance and event days are determined by the George R. Brown Convention Center (GRBCC) staff and a schedule is made available approximately two weeks prior to the beginning of each month. The GRBCC staff will review all schedules. However, it is the Contractor's responsibility to ensure lots are staffed for all events. Contractor will be subject to liquidated damages for failure to adequately staff a lot for an event reflected on the schedule provided by the GRBCC staff.

Event Ticket Attendants (event workers) will be in their booth or lane entrance, traffic control or other assigned positions, no later than 1.5 hours prior to the beginning of the event unless instructed otherwise by Department management. Event workers will be required to work a minimum of two hours for each event and may leave 30 minutes after the beginning of fixed starting time events (e.g., concerts) only. The Contractor recognizes that the majority of events are "continuous load" type events such as conventions, festivals, and celebrations and will provide event workers as needed until an hour before the end of such events to collect parking fees and provide traffic control, unless instructed otherwise.

Event workers will be placed in facilities and locations according to the type and location of the event and in the Contractor's best judgment for the most efficient parking operation for the event. An Event Ticket Attendant shall be located at the north entrance during load-ins and on event days. The exit at the south end of the lot shall be designated No Entry and secured by the Contractor to prevent illegal entrance.

Each event worker is to be easily identified by wearing a uniform and photo I.D. badge. The uniform may be comprised of one or more of the following units of apparel: jacket, smock, vest, and shirt. Contractor must also supply uniform type slacks. Event workers are those part time employees scheduled in excess of the regular Contractor employees.

Regularly scheduled management, cashier, and maintenance personnel cannot be used for calculation of the event staffing and must remain on duty as scheduled unless excepted by the Director.

E. George R. Brown Convention Center Parking Manager: The GRBCC Parking Manager's responsibilities shall include, but not be limited to, the following, for the GRBCC lots:

- Prepare a two-week staffing schedule and submit to GRBCC Operations for approval.
- Staff all surface lots according to event memoranda.
- Hire/discipline employees based on guidelines provided by Contractor.
- Train new employees.
- Closely work with GRBCC Operations to maximize revenue and control costs.
- Closely supervise all employees on duty.
- Pick up monies from event cashiers.
- Closely supervise maintenance personnel.
- Check all equipment for proper operation.
- Daily walk-through all surface lots to make sure the lots are clean and in safe condition.
- Lots are to be cleaned by 8:00 a.m. each day.
- Maintain inventory of event tickets.
- Issue event tickets to event cashiers.
- Secure daily event tickets and revenue in vault.
- Ensure all monies are deposited in accordance with the terms of this Agreement.
- Submit all returned ticket stubs and cashier reports to Contractor's ticket auditor.
- Obtain event cashier report audit results and copies of deposit slips from Contractor's Office.
- Prepare daily revenue and payroll costs recap and submit to GRBCC Operations.
- Provide adequate supply of forms, change, and tickets.
- Attend the weekly GRBCC Operations meeting and pre-convention meetings as required.
- Perform surprise audits on event cashiers regularly.
- Perform other duties as determined by the Director.
- Manage GRBCC shuttle bus operations including scheduling, maintenance, and cleaning.

8.0 JANITORIAL SERVICES

Janitorial services are to be performed in all Parking Facilities including the Contractor's on-site offices, the on-site Security office, and the C&EF Department on-site Parking Operations offices. The Contractor shall employ a well-trained staff including individuals who have had special training with the types of floor surfaces found in the garages and tunnels (i.e., concrete parking surfaces as well as granite, tile and terrazzo), maintaining the floors with maintenance machinery such as scrubbers, sweepers, and floor buffers.

The Contractor shall develop a detailed Maintenance Checklist to be presented to the Director for approval. The Maintenance Checklist shall outline each duty that is to be performed in the ongoing maintenance process and clearly stipulate how often the duty is to be performed. **Each day**, Contractor shall submit a completed checklist to the City's Parking Operations Manager, who will verify that all scheduled tasks have been completed. Below is a minimal janitorial employee schedule, which shall be used at the Parking Facilities. The janitorial employee schedule is subject to change at the Director's discretion. More janitorial employees will be needed after large events.

Theater District Garage

Monday - Friday (5:00 a.m. - 2:00 p.m.)

Four (4) Employees, using a staggered shift

Monday - Friday (3:00 p.m. - 11:00 p.m.)

Two (2) Employees for custodial work. One (1) scrubber/sweeper operator.

Saturday & Sunday (8:00 a.m. – 11:00 p.m.)

One (1) Employee on site per shift. Two (2) shifts each day.

Hobby Center for the Performing Arts

Contractor shall maintain the T-Tunnel and Y-Tunnel leading to the Hobby Center for the Performing Arts. Evening and weekend personnel requirements: approximately two man-hours per day.

Fannin Garage

Monday – Friday (5:00 a.m. – 3:00 p.m.)

One (1) Employee

Monday – Friday (6:00 p.m. – 11:00 p.m.)

One (1) Part-time Employee

Janitorial services shall include all labor, material and equipment to clean all areas (except as noted elsewhere), including but not limited to:

A. Theater District Parking Garages, City Hall Annex Parking Garage, and the Fannin Garage.

1. Daily emptying and removal of all waste from receptacles of all Parking Facilities and the removal of all trash and litter from the surface areas of all facilities.
2. Removal of visible oil caused by vehicles in Parking Facilities as needed.
3. Clean light fixtures, signs, walls, glass, in the tunnel system (excluding Wortham Tunnel), and finish all tunnel floors as often as necessary to maintain a clean state as determined by the Director.

4. Contractor's custodial staff shall inspect and clean the Orange Concourse Tunnel and Jones Hall Tunnel. The task is to be performed two hours before a scheduled performance at Jones Hall. The inspection and clean up will also be done again 30 minutes before a performance ends. The same schedule shall apply for the T-Tunnel leading to the Hobby Center for the Performing Arts.
5. **Scrubbing of all garage floor surfaces in all covered Parking Facilities with a roof** (e.g., Theater District Garage, City Hall Annex Garage, Fannin Garage) shall be done a minimum of five (5) times per Agreement year for each such Parking Facility or as required by Director. Scrubbing shall be done by a designated member of the Contractor's staff using a powered riding scrubber furnished by the City. The Contractor is responsible for all detergent/degreasers, brushes, squeegees, and repairs to the power scrubber. The Contractor shall supply the gasoline for the scrubbing machine, which is to be stored in OSHA and NFPA approved cans and cabinet.

The Contractor shall supply the person(s) to operate the power scrubber and is responsible for the proper training, safety instructions, and insurance for the scrubber and operator. Contractor shall also ensure that the power scrubber operator operates the machine in a safe manner at all times and in accordance with the manufacturer's operations guidelines. The scrubber operators shall comply with the requirements for drivers shown in Section 13.4, except they will be required to have a regular, valid Class C State of Texas driver's license instead of a commercial license unless State law requires otherwise. Contractor is responsible for all repairs to the power scrubber except those covered by the manufacturer's warranty. At the end of the Agreement Term and any Renewal Term, scrubbing machine shall be returned to the City in good condition. All replacement parts shall be from the original manufacturer (i.e., no after market parts).

6. **Sweeping of all garage floor surfaces** including tops of esplanades and curb stops, behind curb stops and tops of walkways (where reachable) shall be done a minimum of five (5) times per Agreement year for each covered Parking Facility (i.e., those Parking Facilities which are covered with a roof--Theater District Garage, City Hall Annex Garage, Fannin Garage) or as required by Director. Sweeping shall be done by the Contractor's staff, using a gasoline powered riding sweeping machine provided by the City. Sweeper operator shall comply with the requirements for drivers shown in Section 13.4, except they will be required to have a regular, valid Class C State of Texas driver's license instead of a commercial license unless State law requires otherwise. The Contractor is responsible for brushes and repairs to the sweeper. The Contractor shall supply gasoline for the sweeper, which is to be stored in OSHA and NFPA approved cans and cabinet.

The City will provide a fenced area with a lockable gate for the purpose of storing the sweeping machine and its accessories including the gasoline storage cabinet. The Contractor shall supply a designated person who has been properly trained to operate the power sweeper. Contractor is responsible for the proper training, safety instructions, and insurance for the sweeper and operator. Contractor shall ensure that the power sweeper operator operates the machine in a safe manner at all times

and in accordance with the manufacturer's operations guidelines. Contractor is responsible for all repairs to the power sweeper except those covered by the manufacturer's warranty. All replacement parts shall be from the original supplier (i.e., no after-market parts). At the end of the Agreement Term and any Renewal Term, sweeping machine shall be returned to the City in good condition.

7. **Sweeping of Surface Lots (uncovered outdoor surface lots include the GRBCC and Super Block surface lots, Lots C and H, City Hall Annex metered parking area, Houston Police Department parking lot, and Houston Center for the Arts parking lot)**--Surface lots shall be swept six (6) times per year or as requested by the City's Parking Operations Manager. City's sweeper will not be used as this requires a sweeping machine specifically designed for outside surface lot use. Trash should be picked up daily.
8. **City Hall Annex surface lot and two covered levels of City Hall Annex Garage** require a high level of garage cleaning. All trashcans shall be emptied and all litter removed prior to 7:00 a.m., Monday – Friday and on Saturdays or Sundays when there is an event.
9. **Cleaning of Fannin Garage**--Contractor shall keep the Fannin Garage and the Fannin Garage common areas in a clean, presentable and sanitary condition at all times and shall not permit anything thereon that would vitiate any insurance carried by the City or Contractor on the Fannin Garage or the adjoining premises. Contractor shall clean and remove trash from the sidewalks, as needed, to maintain the clean appearance of the Fannin Garage. Contractor shall sweep the Fannin Garage twice each month. Contractor shall provide the means for trash disposal at Contractor's sole cost.

B. Stairwells:

1. Cleaning of all steps, light fixtures, mirrors, signs, walls, and floor drains. It should be noted stairwells must be monitored throughout the day and may require cleaning several times per day.
2. The first cleaning shall be completed by 7:00 a.m., Monday through Friday and two hours before the start of the first event on any day, including Saturdays and Sundays.
3. As required, but at least once per week, stairs shall be scrubbed and/or mopped and cleaned using a biodegradable cleaner/degreaser.

C. Contractor's on-site office, on-site Security Office, on-site City Parking Operations offices, Restrooms, Elevators and Tunnel System (except Wortham Tunnel):

1. Cleaning of light fixtures, restroom fixtures, signs, walls, glass, and floors: Contractor shall supply all restroom supplies and cleaning materials as specified by the Director.

2. Vinyl tile floors and terrazzo floors shall be finished with a high gloss finish and buffed as necessary to maintain a high gloss state. **NOTE:** The City will not furnish equipment or materials for this purpose. All tunnel wall surfaces and floor surfaces are to be maintained according to their manufacturer's or supplier's specifications.

- D. George R. Brown Convention Center and Super Block surface parking lots:** Contractor shall clean all surface parking lots at the George R. Brown Convention Center and the Super Block surface lots by 8:00 a.m. each morning following an event and as requested by the Director. To clean the surface parking lots shall mean to accomplish the following: sweep with a motorized sweeping machine a minimum of six (6) times per year, empty all trashcans, and remove all trash and litter. If Contractor does not clean the parking lots immediately following telephone notification from the Director, the City may clean the lots and Contractor shall reimburse the City for the cost of cleaning. The Contractor shall also dispose of all trash in dumpster areas as directed by Director. Alternatively, Contractor's failure to clean and/or dispose of trash properly may result in liquidated damages against the Contractor, as specified in this Exhibit "A," Section 19.0, beginning 24 hours after Contractor receives written notification of the Correctable Conditions.
- E. Houston Center for the Arts** -- Contractor shall be responsible for cleaning the Houston Center for the Arts Parking Lot and the parking booth. Cleaning responsibilities include, but are not limited to, the following: sweep lots with a motorized sweeping machine designed for outdoor use six (6) times per year, empty all trash cans, and remove all trash and litter as often as required by the Director.
- F. Lots C and H** -- Contractor shall be responsible for cleaning Parking Lots C and H. Cleaning responsibilities include, but are not limited to, the following: sweep lots with a truck-mounted motorized sweeping machine designed for sweeping outdoor parking surfaces (not the Theater District Garage sweeping machine, which is designed for use in covered garages) six (6) times per year, empty all trash cans, and remove all trash and litter as often as required by the Director.
- G. Houston Police Department parking lot** -- Contractor shall be responsible for cleaning the Houston Police Department parking lot. Cleaning responsibilities include, but are not limited to, the following: sweep lot with a truck-mounted motorized sweeping machine designed for sweeping outdoor parking surfaces (not the Theater District Garage sweeping machine, which is designed for use in covered garages) six (6) times per year, empty all trash cans, and remove all trash and litter as often as required by the Director.

9.0 PREVENTIVE MAINTENANCE FOR PARKING EQUIPMENT

Contractor shall keep a record of all preventive maintenance performed. Contractor's log of preventive maintenance shall be made available for review by the Director or the City's auditors at any time.

Maintenance and repairs shall be Direct Costs and are to be performed using equipment manufacturer's authorized repair agents on computerized parking access system and related

equipment including, but not limited to, gate arms, ticket spitters, loop detectors, card readers, and cashier terminals. **Contractor shall provide and install all replacement parts as a Direct Cost.**

To maintain garage parking equipment in good, reliable operating condition, Contractor shall perform, or cause to be performed, at a minimum, the following preventive maintenance services.

A. Parking Gates

Daily:

Check all gate arms for malfunctions and make sure locks are locked.

Arm replacements shall be per the following specifications:

Tapered arms of proper length made from 1" x 6" white pine boards, painted white with black stripes. Replacement articulated arms shall be accurately assembled to ensure proper operation of gate.

Weekly:

Clean exterior of cabinet and observe general observation for maintenance as may be required.

Monthly:

Lubricate hinge bearings of all articulated gate arms. Check wear of articulated arm bearings.

Contractor shall be responsible for maintaining chains and bollards. The chains and bollards should be checked monthly.

Semi-annually:

Wax exterior of cabinets to maintain good appearance. Vacuum-clean interior of gates.

Clean any oil leakage.

Lubricate mechanism as specified by the manufacturer.

Closely examine all fastenings, linkages, and limit switches for abnormalities.

Repairs, when required, shall be made by a qualified technician or referred to the equipment manufacturer.

B. Ticket Spitters

Daily:

Check time and date and set as required.

Check for malfunctions and make sure locks are locked.

Check ticket vending and also gate vending when ticket is removed from ticket spitter throat.

Weekly:

Clean exterior of cabinets.

Monthly:

Thoroughly vacuum-clean interior of ticket spitter, and in particular, all areas of the dispenser mechanism.

Semi-annually:

Wax exterior of cabinets to maintain good appearance. Repairs, when required, shall be made by a qualified technician or referred to the equipment manufacturer.

C. Card Readers

Daily:

Observe that all card readers read card data and properly vend the gates.

Weekly:

Clean exterior of cabinets to maintain good appearance.

Four (4) times per year:

Wax exterior of cabinets.

All servicing of card readers and/or card reader power supplies shall be done by a qualified technician or the equipment manufacturer.

D. Detectors

Daily:

All detectors shall be checked for proper operation. (Checking may be done by observation of associated equipment such as gates, ticket spitters, etc.)

E. Fee Computers

Daily:

Maintain temperature of cashier booths below 85 degrees F. so as not to overheat electronic fee computers.

Monthly:

All printers shall be cleaned and lubricated properly and adjusted.

Ribbons of proper type shall be changed as required.

All printer repairs shall be made by a qualified technician or the equipment manufacturer.

F. Intercom Systems

All intercom system repairs, such as lamp replacement, repair of defective units, or defective wiring, shall be made by a qualified technician or the equipment manufacturer.

If Contractor does not have qualified maintenance employees, preventive maintenance and service agreements shall be maintained with qualified contractors (must receive the Director's agreement) to perform all technical duties on above specified equipment.

G. Car Counters

If City or Contractor installs car counters during the Agreement Term, Contractor shall maintain the car counters in accordance with the manufacturer's specifications and make or cause whatever repairs are necessary to keep the car counters in satisfactory working condition.

10.0 MAINTENANCE - ALL GARAGES

A. Daily Maintenance:

Contractor's daily maintenance log must be available for inspection at any time.

- (1) Check all parking control equipment:**
 - (a) Pull ticket to take ticket number, check printing quality, time and date.
 - (b) Check all gate arms.
 - (c) Check all access card readers.
 - (d) Check all traffic control lights.
- (2) Sweep all paved entrance and exit areas.**
- (3) Check and clean all major pedestrian flow areas.**
- (4) Perform preventive maintenance and other tasks.**
- (5) Sweep, dust mop, deodorize, and/or buff all tunnels and stairwells each day. This includes emptying of trash cans as needed.**
 - (a) Clean all steps, light fixtures, mirrors, signs, walls, and floor drains. It should be noted stairwells may require cleaning several times per day due to pedestrian traffic.
 - (b) The first cleaning shall be completed by 7:00 a.m., Monday through Friday and one hour before the start of the first event on any day, including Saturdays and Sundays.
 - (c) As required, but at least once per week, stairs shall be scrubbed and/or mopped and cleaned using a biodegradable cleaner/degreaser.
- (6) Pick up trash and litter throughout garage.**
- (7) Sweep, clean, pick up trash, and dust office, booths and restrooms. Replenish paper towels, soap, and toilet paper as needed.**
- (8) Clean and sweep all elevators including sweeping out of door tracks. Remove graffiti as required.**

B. Periodic Maintenance:

- (1) Contractor shall re-stripe garage surfaces for all parking garage structures as required by the Director. Contractor shall use approved traffic paint (full strength). Scope of work includes all lane-dividing stripes, arrows, handicapped spaces and any other existing traffic control lines.
- (2) Perform all other required or needed maintenance duties as time permits or at times other than listed as is practicable.

11.0 MAINTENANCE - SURFACE LOTS

Surface Lots include the GRBCC surface parking lots, Lots C and H, the Houston Center for the Arts surface parking lot, the surface lot above the City Hall Annex Garage, and the Houston Police Department parking lot.

A. Daily Maintenance:

- (1) Check operating condition of all access and egress equipment including bollards, chains, and flagging.
- (2) Wipe off all signage on the lots.
- (3) Pick up trash and litter throughout lots.

B. Periodic Maintenance:

- (1) Use powered sweeper to clean all parking area surfaces a minimum of six (6) times per year for the Theater District and monthly for GRBCC surface lots or as required by Director.
- (2) Contractor shall re-stripe all surface lots as required by the Director. Contractor shall use traffic paint (full strength) as approved by the Director. Scope of work includes all lane dividing stripes, arrows, handicapped spaces and any other existing traffic control lines.
- (3) Perform all other required or needed maintenance duties as needed.

12.0 EQUIPMENT

12.1 Computer/Access Equipment

Contractor shall furnish, as a Direct Cost, all necessary maintenance to computers, computer software, graphics, and other access equipment using parts supplied by original manufacturer and factory authorized service technicians. Maintenance of City-owned computers shall be coordinated in advance with the Department's Systems Operations (IT) staff.

12.2 Golf Carts

Contractor shall provide, at its expense, a minimum total of four (4) new gasoline-powered golf carts, in fully operational condition, on the premises at all times: three (3) to cover the expanse of the Theater District Parking Garages and one (1) to cover the expanse of the George R. Brown Convention Center surface lots. Golf carts shall be EZ-Go or equivalent with four seats and headlights.

Contractor shall provide all gasoline and OSHA and NFPA approved containers and storage cabinets for the gasoline. Each golf cart must be operated safely at all times and shall have a flashing warning light, amber in color. The strobe light shall be mounted on a pole or on the roof of each golf cart. The City recognizes the need to use golf carts to transport customers from time to time. In the event they are used for that purpose, passengers riding on golf carts shall be the Contractor's sole responsibility. At its sole expense, **Contractor must provide the four (4) new golf carts at the beginning of the Agreement with Contractor's logo prominently displayed.**

12.3 Radios/Cellular Phones/Pagers

Contractor shall furnish no less than six (6) operational radios, to provide communication between the Contractor and traffic directors, custodial staff, and City's security contractor in the Theater District Parking Garages. The Contractor shall supply two (2) additional radios to the City garage management staff, set to all frequencies used by the on-site security staff at Theater District Garages. Contractor shall furnish at least six (6) radios at the George R. Brown Convention Center. Contractor shall furnish no less than two (2) operational radios to provide communication between the Fannin Garage office and all security officers in the Fannin Garage and at least at least three (3) cell phones to the Shuttle Bus Drivers.

The radios should be programmed to be compatible with radios used by Convention & Entertainment Facilities Department personnel. Contractor shall use 16 channel Motorola radios, which shall remain property of the Contractor.

For some of the Parking Facilities, the Director or his or her designee may require the Contractor to have cellular phones or pagers, in addition to or instead of radios. Contractor's Project Manager, GRBCC Parking Manager, and all Assistant Managers shall be required to carry cellular phones and/or pagers.

To clarify, Contractor shall provide, at a minimum, the number of radios and cell phones listed below:

Fannin Garage:	2 radios
Theater District Garage:	6 radios
City's Garage Management Staff	2 radios
George R. Brown Convention Center:	6 radios
Shuttle Bus Drivers:	3 cell phones

12.4 Time Clocks

Contractor shall provide a time clock for each of Contractor's offices (in the Theater District Garage, the Fannin Garage, and the GRBCC). The Director shall have final approval of all daily sign-in and time clock procedures.

12.5 Property of Contractor

Golf carts, radios and clocks shall remain property of the Contractor after termination of this Agreement.

12.6 Telephones

City shall furnish all local telephone service for the Parking Facilities. NOTE: City will supply and maintain the Talk-A-Phone Emergency Telephone System and seven (7) elevator telephones located throughout the Theater District Garage, the Fannin Garage, and the telephones connected through the Norstar phone system in the Theater District Garage Parking Operations office.

12.7 Utilities

City shall pay for all reasonable utility costs including local and emergency telephone service, heat, electricity, gas, water, and sewer. Contractor shall pay for long distance and directory assistance telephone service.

NOTE: City will provide telephones for Contractor's office at the number currently on-site, which are connected through the Norstar phone system.

13.0 TRAMS, SHUTTLE BUSES, AND OTHER CITY VEHICLES

Contractor shall maintain the existing and future Trams and Shuttle Buses. Maintenance shall include, but not be limited to:

- Exterior cleaning with a high-pressure water process or comparable method at least weekly.
- Daily sweeping and cleaning of the tram and shuttle bus interiors.
- Painting and repair of the trams and shuttle bus fleet, as necessary, to retain a high quality appearance.
- Preventative and scheduled periodic maintenance of the tram and shuttle bus engine and drive train, as well as other systems (i.e., doors, air conditioning, brakes, etc.)

13.1 Trams

- A.** Contractor shall operate, maintain and repair the Trams as required by the Director. The City presently owns one Tram, to be used for the purpose of transporting customers within the Theater District Parking Garages. The Tram shall remain the property of the City.
- B.** The Contractor shall be responsible for maintaining the Tram in fully operational condition at all times. This includes keeping gasoline in the Tram and providing maintenance as recommended by the manufacturer. The Contractor shall be responsible for having any needed repairs made in a timely manner, using parts supplied by the Tram's manufacturer and factory authorized service technicians. (Damage to the exterior body, seats and flooring are included in Contractor's responsibilities.)
- C.** Contractor shall use care in operating the Tram. Passengers riding on the Tram shall be the Contractor's sole responsibility and the operation and operators shall be fully insured. The City shall be included as an Additional Insured.

13.1.1 Tram Driving Requirements

The Tram shall be operated at all times in a safe manner at a speed not to exceed 10 miles per hour and only by Contractor's employees who meet the driving requirements in Section 13.4, except that instead of having a commercial driver's license, Tram driver(s) must have a current Class C Texas Driver's License issued by the Texas Department of Public Safety unless State law changes.

13.2 Shuttle Bus Operation & Maintenance Services

The City presently owns four (4) Shuttle Buses that have a 20 passenger capacity. Contractor shall be solely responsible for the operation and maintenance of such Shuttle Buses. The City shall provide Shuttle Bus fuel. Passengers riding on the Shuttle Buses shall be the Contractor's sole responsibility. Contractor shall not make additions or improvements to the Shuttle Buses without the prior written approval of the Director. It is estimated that two Shuttle Buses operate approximately 6300 hours per year (or 40 hours per week, per driver, 52 weeks per year). Hours will fluctuate depending on event schedules.

The Shuttle Buses will be used for purposes that include, but are not limited to, the following:

- a) To shuttle City employees from City owned parking lots to City Hall, City Hall Annex, Downtown Central Library, 611 Walker, and Bob Lanier Public Works Building.
- b) To transport conventioners and patrons to various venues.
- c) To be used in conjunction with the Greater Houston Convention & Visitors Bureau on various events and tours to attract and promote the City as a meeting place for convention and business related matters.

Contractor shall charge the rates for Shuttle Bus services as specified by the Director. All Revenues from Shuttle Bus operations belong to the City.

13.2.1 Shuttle Bus Repairs

Contractor shall maintain a preventive maintenance program to routinely inspect and repair the Shuttle Buses and shall maintain the Shuttle Buses in as good repair, condition and working order as Contractor finds the Shuttle Buses upon commencement of this Agreement, considering the age and condition of the Shuttle Buses. At the expiration or termination of this Agreement, Contractor shall return the Shuttle Buses to the City in good condition, excepting ordinary wear and tear. All repair costs should be submitted monthly, with the monthly cash settlement report, and should be deducted as Contractor's Direct Costs for Shuttle Bus operations.

13.2.2 Inspection & Maintenance Records

The Director or his or her designee shall, at any and all times during business hours, have the right to enter into and upon the premises where the Shuttle Buses may be located for the purpose of inspecting the same or observing their use.

13.2.3 Loss & Damage

Contractor assumes the risk of loss or damage to the Shuttle Buses. In the event of loss or damage of any kind whatever to any of the Shuttle Buses, Contractor shall place the same in good repair condition and working order. If any Shuttle Bus is determined by the City to be lost, stolen,

destroyed or damaged beyond repair, Contractor shall replace such Shuttle Bus with one of no less than equal value and condition.

13.2.4 Storage of Shuttle Buses

Contractor agrees to store the Shuttle Buses in an indoor facility as a Direct Cost. However, if the City elects to store the Shuttle Buses instead, the Director shall send written notice to Contractor regarding the same and Contractor shall no longer deduct the storage charge as a Direct Cost from its monthly fee (see Exhibit "B").

13.3 Additions & Deletions of Vehicles

If the Director, in his or her sole discretion, determines there is a need for an additional Tram(s), or Shuttle Bus(es), or other City vehicle (such as a scrubber or sweeper) in the future, Contractor may be given an opportunity to maintain and operate such additional Tram(s), Shuttle Bus(es), or other City vehicle as a Direct Cost, which would be mutually agreed upon by the Director and the Contractor.

At any time, the Director may request that the Contractor cease to operate and maintain the Trams, Shuttle Buses, or other City vehicle or delete Tram, Shuttle Bus, or other City vehicle services, by sending the Contractor prior written notice. Upon receipt of such notice, or as otherwise specified therein, Contractor shall cease to operate and maintain the Trams, Shuttle Buses (or other City vehicles) or discontinue specific Tram, Shuttle Bus or other City vehicle services that are no longer needed, and any charges for such services shall also end.

13.4 Requirements for Drivers

Before assigning an employee to drive a City vehicle (such as Trams, Shuttle Buses, Scrubbers or Sweepers), Contractor shall obtain and review the driving records of its employees to determine whether they are qualified to drive a City vehicle in accordance with the Mayor's Administrative Procedure 2-2, as may be revised from time to time. The policies and procedures in the Mayor's Administrative Procedure (A.P.) 2-2 are incorporated herein by reference and apply to all of Contractor's employees who drive City vehicles. Even though Contractor's employees are not to be considered City employees for any reason, references to *employee* in A.P. 2-2 shall mean Contractor's employee for the limited purpose of applying City vehicle driving rules to Contractor's drivers, as outlined herein. Drivers must continuously operate in a safe manner.

13.4.1 Review of Driving Records

At least annually or as requested by Parking Operations management, the Contractor shall obtain and review the motor vehicle record of each of its employees who drive City vehicles to determine whether the drivers are qualified to drive City vehicles. The motor vehicle records should be submitted to the C&EF Department's Parking Operations offices.

- A. Any of Contractor's employees who drive City vehicles must obtain and provide to Contractor a copy of their motor vehicle records or alternatively, execute authorization for the release of their motor vehicle records from their state of residence.
- B. Refusal or failure to supply the authorization to obtain motor vehicle records or to supply the actual motor vehicle records when requested, shall disqualify the Contractor's employee from driving a City vehicle.

13.4.2 Accidents Involving City Vehicles

Any of Contractor's employees who drive a City vehicle must report an accident of any kind:

- A. to the investigating police officer or appropriate law enforcement authority in the jurisdiction in which the accident occurred within twenty-four (24) hours of its occurrence; and
- B. to his supervisor ***and*** the Director immediately, if on-duty or upon return to work, if off-duty
 - 1. when cumulative property damage exceeds twenty-five dollars (\$25.00), the driver shall also immediately complete a Driver's Report of Vehicular Accident (PD Form 781) and submit it to the Director, and/or
 - 2. upon the occurrence of any of the following:
 - (a) Moving violation conviction(s); or
 - (b) A conviction for DWI or DUI, or flying or boating while intoxicated; or
 - (c) A felony conviction of any kind including intoxication assault or intoxication manslaughter, etc., involving the use of a motor vehicle; or
 - (d) A cancellation, revocation or expiration of the Employee's license without immediate renewal or reinstatement; or
 - (e) A suspension of an operator's license or a temporary (60/120 day) suspension for nonpayment of child support, habitual violations, revocation for medical reasons, criminal mischief, fraud, or drug offenses, "serious" traffic violations, etc. or as set forth in Section 521.201 *et seq.* Tex. Transportation Code; or
 - (f) A suspension, cancellation, revocation or expiration of Contractor's personal liability or automobile liability insurance coverage.

13.4.3 Qualifications for Driving City Vehicles

- A. City vehicles such as Shuttle Buses may be operated only by Contractor's employees who:
 - 1. Have a valid and current Class B Texas Commercial Driver's License issued by the Texas Department of Public Safety and meet all requirements of the Texas Department of Public Safety for operating such vehicles (a temporary or provisional commercial driver's license is not acceptable.); and
 - 2. Have successfully passed pre-employment and random drug tests.

Any driver who moves to the State of Texas after employment must, within thirty (30) days after such move, obtain a valid Texas driver's license and surrender any other driver's license(s) in compliance with Texas law.

- B. Contractor's employee is disqualified from driving a City Vehicle he/she:
 - 1. Has been convicted of a felony involving the use of a motor vehicle within a period of three (3) years immediately before the date of hire by the Contractor; or
 - 2. Has been convicted of DWI and/or DUI within the last three years; or

3. Has been convicted of any combination of moving violations and/or motor vehicle accidents, whether in Texas or out of state, totaling three (3) or more within the last three years,
- C. Accidents and/or criminal conduct carry the same weight, whether on or off duty. If Contractor's employee's driving records show violations, driving duties will be removed from the Contractor's employee's designated responsibilities. The Director may require the Contractor to terminate or remove one of its employees from driving responsibilities, if the Director or his designee determines that the magnitude of any incident indicates such action is appropriate for the safety of patrons.

14.0 FANNIN GARAGE

14.1 Operation of the Fannin Garage

Contractor shall operate the Fannin Garage in accordance with this Exhibit "A" and the provisions of this Agreement.

14.2 Operating Hours

Contractor shall operate the Fannin Garage at a minimum, from 6:00 a.m. to 9:00 p.m., Monday through Friday, in an efficient manner customary in the trade, commensurate with the demand in the area. Such operation shall be continuous, as herein provided, unless the Director shall otherwise agree in writing.

15.0 LOTS C AND H AND HOUSTON POLICE DEPARTMENT PARKING LOT

15.1 Lots C and H and Houston Police Department Parking Lot Daily Parking Rates

Lots C and H and the Houston Police Department parking lot are generally closed to the public Monday through Friday, from 6:00 a.m. to 6:00 p.m. Houston Police Department employees park at the Houston Police Department parking lot during weekdays. Parking at Lots C and H is by permit only except for Municipal Court jurors. Municipal Court jurors use a jury summons for entrance. Informational signage and lighting for the lots shall be supplied by the City.

15.2 Lots C and H and Houston Police Department Parking Lot Event Parking Rates

Event parking may be scheduled by the City at times, Monday through Friday, from 5:00 p.m. to 6:00 a.m., and on Saturdays, Sundays, and holidays. Rates are to be determined by the Director. Revenue is to be collected by a parking attendant, who shall issue Contractor's standard two piece event tickets. Attendants shall wear Contractor's Theater District uniform.

15.3 Rates shall be posted by Contractor on a sign or an A-frame board provided by the Contractor and approved by the Director prior to each event. Contractor is responsible for purchase and maintenance of quality A-frame rate boards.

15.4 Vehicles occupying more than one space (i.e., vehicles with trailers, buses, tractor/trailer rigs) shall pay event rate for each space occupied.

16.0 THE HOUSTON CENTER FOR THE ARTS PARKING LOT

16.1 Parking Rates

The parking rates shall be amounts to be determined by the Director, per day. Collection of parking revenue shall be by use of Coin Boxes or a monthly contract. A Coin Box is defined as a self-service customer pay-in-advance metal box with numbered slots coinciding with a numbered parking space. Coin Boxes, informational signage and lighting for Coin Boxes shall be supplied by the City. Coin Boxes will be checked daily by an employee of Contractor to verify payment of vehicles. Coin Boxes shall be emptied daily Monday through Friday by Contractor, using two employees for revenue verification.

Event parking fees shall be collected with Coin Boxes, as described above, or through the use of parking attendants if Director determines that the volume of cars justifies their use. The method of revenue collection is to be determined by the Director. Attendants shall wear Contractor's uniform, as specified by the Director.

At Director's discretion, employees of Stages Repertory Theatre and/or other tenants of City-owned leased space in The Houston Center for the Arts building shall be allowed to park in The Houston Center for the Arts Parking Lot free or on a contract basis, using a hangtag verification system.

17.0 MONITORING CONTRACTOR'S PERFORMANCE

17.1 Inspections

The City shall have the right to conduct both scheduled and unscheduled periodic inspections of all Premises, mechanical equipment and records used by Contractor or City in connection with this Agreement, during regular business hours or any time in the case of an emergency, to determine whether Contractor has complied and is complying with the terms and conditions set forth in this Agreement. The Contractor will be notified, in writing, of deficiencies noted during the review and will be required to correct such deficiencies within ten (10) days from the date of notification. If the Contractor fails to take corrective action in a timely manner, the City may terminate the Agreement in whole or in part.

17.2 Maintenance Repairs and Replacements

After inspections of equipment, the Contractor shall perform maintenance and make repairs and replacements in any case where Contractor is obligated to do so. If the Contractor fails after reasonable notice to correct deficiencies, the Contractor shall reimburse the City for the cost of the maintenance promptly upon demand.

18.0 ACCOUNTABILITY

18.1 Business Development

Contractor covenants and agrees that it will take all reasonable measures and actions in every proper manner to maintain, develop and increase the business conducted hereunder. Contractor shall not divert or cause any business to be diverted from the City's Parking Facilities by referral or any other method. **Contractor shall prepare a marketing/business development and retention plan for each year of the Agreement Term and any Renewal Term and submit such plan annually at the beginning of each Agreement year to the Director for approval.** The marketing/business development and retention plan must include a proposed budget for Director's review and approval, detailing how much proposed improvements, such as car wash services, will cost. Proposed rules and procedures regarding new operations should be included.

18.2 Expense Records

Contractor shall keep and maintain a complete and adequate set of books and records covering all Direct Costs incurred in operating and maintaining said Convention & Entertainment Parking Facilities and shall provide the Director this information in a monthly cash settlement report. The monthly cash settlement report should include payroll costs per location, daily revenues per location, and should track the ridership of shuttle buses.

No accounts, ledgers, billings, collections or records of any nature whatsoever for customers of parking facilities other than the City's Parking Facilities will be commingled with those maintained for the City.

Contractor shall implement procedures to require adequate documentation from all subcontractors to verify that Contractor (and, ultimately, the City) is properly billed for services provided. At a minimum, supporting documentation should include the name, rank, pay rate, and hours worked at each location. The summary documentation shall be included with the City's settlement checks and should be supported by subcontractor's time cards or man-hour logs.

18.3 Validation of Revenues

Contractor shall implement procedures for the accurate validation of Revenues, including, but not limited to, the following:

- A. **Validation Income** – Contractor shall retain original parking spitter tickets as backup support for invoices. Summary records shall be maintained to track validation income on a daily basis. The summary records shall show the dollar amounts of validations for each validation account. Contractor shall be responsible for compensating City for any and all discrepancies between parking tickets and income. Any of Contractor's personnel who are involved in shortages or theft shall be subject to disciplinary action, including termination and referral to the appropriate law enforcement authorities.

Contractor may implement the use of a validation coupon book, which may be sold in advance to companies utilizing a validation system [at \$300 each or as specified by the Director]. Since the coupon books are to be numbered sequentially, the quantity purchased, amount paid, and ordering company's name can be reported in advance. Use of the individual coupons will be at the company's discretion. The Contractor's cashier will ring the transaction as a partial validation, based on the number of coupons attached to the ticket.

- B. Unpaid Parking Vouchers** – Contractor shall implement procedures to ensure that efforts made to collect unpaid parking vouchers are fully documented. Documentation shall show amounts due, paid, or outstanding at any point in time.

Debit vouchers are to be collected daily and filed by date. Follow-up request letters are to be recorded and mailed weekly until payment is received. When payment is received, the vouchers should be stamped with the date paid, amount paid, and manner of payment. A daily log sheet should be used to record each voucher issued and the date payment is received, so that the amount of outstanding debt can be easily determined at any time.

18.4 Proprietary to City

Contractor agrees that all information/documents required by the City concerning accounts, equipment, leases, tickets, etc., shall be proprietary to the City and deemed as the property of the City. Upon replacement of Contractor, all such information shall be given, intact and current to the City.

18.5 Performance Auditing

The City may make regular inspections within each facility for the purpose of auditing the Contractor's performance of duties in and around the Parking Facilities. Any and all areas that are found to be in non-compliance of this Agreement will be listed at that time and re-inspected no sooner than twenty-four (24) hours from the time the Contractor receives the inspection report. The Director will then assign liquidated damages as specified in Section 19.0 of this Exhibit "A" for discrepancies that have not been corrected. The City further reserves the right to make a complete or partial re-inspection of the Parking Facilities at any time in which liquidated damages for non-compliance have been applied.

18.6 Accounts and Records

Contractor shall keep true and complete records and accounts of all gross receipts and business transacted including daily bank deposits, and annually furnish a true and accurate financial statement for the preceding calendar year, as well as a report based on the Agreement year, of all such receipts and business transacted during such preceding year (showing the authorized deductions or exclusions in computing the amount of such gross receipts and business transactions), which statement shall be certified by an authorized representative of Contractor to be correct.

Contractor agrees to establish and maintain a system of operational and accounting records satisfactory to the City's auditors and to give the City access at any time to such books and records.

Contractor agrees that it will keep and preserve for at least three (3) years all sales slips, cash register tapes, sales books, bank books, or duplicate deposit slips, complete cashier reconciliations and other evidence of gross receipts and business transacted for such period. The City's auditors or authorized representatives shall have the right at any time, and from time to time, to audit all of the books of account, bank statements, documents, records, returns, papers, and files of Contractor relating to gross receipts and business transacted and Contractor, upon request, shall make all such items available for such examination at the premises.

If the City shall make or have such an audit for any year, and the gross receipts and business transacted shown by the Contractor's statement for such year should be found to be understated by more than one percent (1%), Contractor shall pay to the City the cost of such audit. The City's right to have such an audit made with respect to any year shall expire three (3) years after the Contractor's statement for any year shall have been delivered to the City. Contractor shall provide the City a monthly report of the items listed above. Contractor shall also provide any other reports upon written request of the City.

19.0 LIQUIDATED DAMAGES

19.1 Understanding

Contractor and City agree that the public parking system should be operated and maintained in an effective and efficient manner to ensure the parking services provided to the public are satisfactory and the best use of public funds is achieved. To accomplish this, the City has established strict performance standards and requirements, which must be met by the Contractor. Contractor agrees that in the event the requirements of this Agreement and Exhibits attached thereto are not complied with, City may assess liquidated damages for non-performance, the amount of any such liquidated damages to be deducted from payments otherwise due to the Contractor. The parties agree that the amount of actual damages resulting from Contractor's non-performance is difficult to ascertain and both parties agree that the liquidated damages assessed are reasonable and are not a penalty.

However, under no circumstances shall liquidated damages assessed against Contractor exceed **\$20,000.00** in any given Agreement year or Renewal year. Nothing herein shall limit or affect the City's rights of termination.

19.2 Concept

Failure to comply with the requirements of this Agreement and more specifically this Exhibit "A" may result in two types of conditions: correctable and non-correctable. Correctable incidents of non-compliance are those of a nature that the non-compliance requires correction and City has suffered no direct monetary loss. In these cases, the Contractor will receive oral or written notice of the details of non-compliance. The Contractor will have an opportunity to correct the unsatisfactory condition within the amount of time as specified by the Director or his designee. In the event the unsatisfactory condition is not corrected (or action initiated where appropriate), the liquidated damages will be applied.

The non-correctable condition is one in which the result of the condition cannot be corrected, e.g., revenue or information is lost. In those instances, Contractor will be notified either orally or in writing of the details of non-compliance and allowed an opportunity to respond. The applicable liquidated damages will be applied at the discretion of the Director.

19.3 Repeat Conditions

City reserves the right to inspect facilities, procedures, personnel performance, or compliance with any requirement of this Agreement an unlimited number of times and assign multiple liquidated damage assessments for non-compliance if not corrected as stipulated herein, such liquidated damage assessments to accrue for each twenty-four (24) hour period the condition continues to exist. Additionally, excessive repeat violations will justify liquidated damage assessments, even though the condition may have been corrected as required, for example, excessive, repeat reporting errors. These shall be as contained herein.

19.4 CORRECTABLE CONDITIONS INCLUDE BUT ARE NOT LIMITED TO:

- (a) Failure to scrub or sweep paved surface according to schedule.
Liquidated Damages - One hundred (100) dollars per day.
- (b) Failure to pick up or remove trash on floor or parking surface according to schedule.
Liquidated Damages - Twenty-five (25) dollars per facility per day. At the GRBCC: Twenty-five (25) dollars per surface lot per day.
- (c) Failure to follow Preventive Maintenance Program in any part.
Liquidated Damages – Fifty (50) dollars.
- (d) Failure to clean according to specifications.
Liquidated Damages - Twenty-five (25) dollars per area (i.e., floor, stairwell, etc.)
- (e) Failure to empty specified trash receptacle.
Liquidated Damages - Twenty-five (25) dollars per receptacle, per day.
- (f) Failure to provide equipment as specified.
Liquidated Damages - Twenty-five (25) dollars per item per day.
- (g) Failure to provide Director with names of all employees when requested.
Liquidated Damages - Ten (10) dollars per employee.
- (h) Failure to submit General Manager and GRBCC Parking Manager hiring for approval by Director prior to hiring.
Liquidated Damages - Five hundred (500) dollars.
- (i) Failure to submit to Director all training materials for approval. [Sections 7.10 and 7.11 of this Exhibit require Training Materials.]
Liquidated Damages - Two hundred and fifty (250) dollars.
- (j) Allowing employee whom has not completed training to work without supervision.
Liquidated Damages - Twenty-five (25) dollars per employee, per day.
- (k) Failure of employees to be in uniform.
Liquidated Damages - Twenty (20) dollars per instance.

- (l) Failure to repair equipment under Contractor's control in a timely manner that corresponds with the necessity of bringing the equipment back on-line.
Liquidated Damages - One hundred (100) dollars per item.
- (m) Failure to provide any report within the time specified in this Agreement, as specified by the Director.
Liquidated Damages - One hundred (100) dollars per report immediately after the twenty-four (24) hours after the time each such report is due and twenty-five (25) dollars for each succeeding twenty-four (24) hour period per report, unless excepted by the Director.
- (n) Failure to account for monthly cards at any time.
Liquidated Damages - Twenty-five (25) dollars per card.
- (o) Failure to keep, store and account for tickets.
Liquidated Damages - One thousand (1,000) dollars per missing day's worth or eight (8) dollars per ticket or four (4) dollars per missing event ticket.
- (p) Substantive error in any report to Director.
Liquidated Damages - One hundred (100) dollars for each report in error.
- (q) Failure to correct transient revenue collection procedural errors within twenty-four (24) hours of discovery.
Liquidated Damages - One hundred (100) dollars per procedure, per day.
- (r) Failure to keep at least three (3) gasoline-powered golf carts in functioning condition at the Theater District Parking Garages or at least one (1) gasoline-powered golf cart in functioning condition at the George R. Brown Convention Center.
Liquidated Damages - Twenty-five (25) dollars for each golf cart not working, per day.
- (s) Failure to keep gate arms working.
Liquidated Damages - Twenty-five (25) dollars for each gate arm not working, per day.
- (t) Failure to have shuttle buses operating as scheduled.
Fifty (50) dollars per incident.

19.5 NON-CORRECTABLE CONDITIONS INCLUDE BUT ARE NOT LIMITED TO:

- (a) Failure to deposit any receipt into the bank within twenty-four (24) hours, excluding Saturday, Sundays and Bank holidays.
Liquidated Damages - Fifty (50) dollars immediately after the twenty-four (24) hours following receipt and doubling for each succeeding twenty-four (24) hour period.
- (b) Failure to have an entrance/exit lane or parking facility bay available for parking as required.

Liquidated Damages - Fifty (50) dollars immediately and fifty (50) dollars for each succeeding twenty-four hour (24) hour period.

- (c) Failure to have required event personnel in place for events as required.
Liquidated Damages – Twenty-five (25) dollars per hour per employee short for the first hour and fifty (50) dollars for each succeeding hour.
- (d) Failure to have all exits of any facility operated in an event mode open for unrestricted egress upon completion of the event.
Liquidated Damages - Fifty (50) dollars per exit.
- (e) Failure to have minimum regular full-time personnel employed and/or on duty as specified per shift.
Liquidated Damages -
 - (1) **Cashiers and Maintenance Personnel - The hourly wage for each hour the required employee is not on duty for the first eight (8) hours, doubling for each hour of each succeeding eight (8) hour period.**
 - (2) **Bookkeepers and Management Personnel - The hourly wage for each hour of scheduled duty for the first ten (10) work days, then doubling for each hour of each eight (8) hour shift of scheduled duty after the first ten (10) work days.**
- (f) Failure to mail out or deliver correct billings to customers within time specified by the Director.
Liquidated Damages - Ten (10) dollars per occurrence per customer.
- (g) Failure to notify customers of any parking rate change at least thirty (30) days prior to the effective date.
Liquidated Damages - Ten (10) dollars per customer.
- (h) Failure to pay City by 1st and 15th of each month.
Liquidated Damages - Fifty (50) dollars per day.

19.6 Revenue Control Accountability

- (a) Failure to account for daily parking tickets per month, based on calendar months:
Liquidated Damages - The maximum daily transient parking rate for each ticket unaccounted for in excess of five percent (5%) of the total tickets issued.
- (b) Failure to account for event parking tickets per month, based on calendar months.
Liquidated Damages - All facilities: Four (4) dollars for each unaccounted for event ticket. (For the Fannin Garage: The parking rate for each unaccounted for event ticket.)

- (c) Failure to account for Monthly Permits (Surface Lot Hang Tags) per month, based on calendar month. (For Fannin Garage: Failure to account for Monthly Permits per month, based on calendar month.)

Liquidated Damages - Twenty (20) dollars for each unaccounted for Monthly Permit.

- (d) Failure to account for Parking Stamps per month, based on calendar months.

Liquidated Damages - One hundred (100) dollars for each unaccounted for book or partial book of stamps.

19.7 Repeat Conditions - Upon the third and additional instance of any repeat condition, except errors in reports, in a ninety (90) day period, liquidated damages will be assessed at the time of notice to Contractor without the benefit of possible cancellation of the liquidated damage assessment for correction of the condition.

20.0 SERVICES BY CITY

City retains all rights and obligations not specifically granted to Contractor, including without limitation:

- (a) All sidewalk construction on public streets, maintenance and repair, paving, patching, painting, fencing, curbing, landscaping and structural maintenance.
- (b) Mechanical and electrical maintenance of exit booth(s) and parking office in the Theater District Parking Garages, including HVAC systems, lamps, and door hardware. NOTE: Contractor is responsible for cleaning the interior and exterior of the exit booths and the parking office.
- (c) Erection and maintenance of lighting poles, fixtures, bulbs and ballasts.
- (d) Provision of utility systems and services (except telephone) and drainage, sewage and water lines.
- (e) Replacement of revenue and traffic control equipment, unless such need is caused by the negligent acts or omissions of Contractor, its employees, agents, or other contractors.
- (f) Erection and maintenance of area and directional signs within and outside the Parking Facilities.
- (g) Collection of revenue from City metered spaces at City Hall Annex Garage.
- (h) City shall furnish mechanical maintenance and repair to all mechanical equipment that is not Contractor's responsibility, as outlined in this Agreement (EXAMPLES: Heating and air conditioning units, emergency generators, fire protection equipment, air compressors, fresh air and exhaust fans, and elevators other than Fannin Garage elevators). The City shall also provide and install all garage, stairwell and directional graphics, light bulbs, and ballasts.

- (i) Purchase of all replacement access cards.
- (j) Shuttle Bus fuel.

EXHIBIT "B"

PAYMENTS

EXHIBIT "B"
PAYMENTS

Contractor shall pay to the City on a semi-monthly basis (on the 1st and 15th of each month) in arrears, the Net Revenue (Gross Revenues net of sales tax) collected for the previous month. The first payment, due on the 1st of the month, represents a partial payment of the prior month's Net Revenues. The payment on the 15th of the month is the balance of the prior month's Net Revenues once all monthly accounting entries have been recorded. Contractor's first payment to the City, \$200,000.00, shall be due on October 1, 2005, for the month of September, 2005, with the final payment due October 15, 2005. Subsequently, throughout the term of this Agreement and at the end of the Agreement, for the month following the previous month of the Agreement, Contractor's payments to the City due on the 1st of each month, for the previous month of the Agreement, shall be \$200,000.00, unless the Director and Contractor agree that another amount should be paid, to account for changes in Net Revenue. The remainder of the Net Revenue for the previous month shall be paid to the City on the 15th of the month. [For example, for the month of September, 2005, if the Net Revenues for that month were \$750,000.00, then Contractor would pay the City \$200,000.00 on October 1, 2005 and \$550,000.00 on October 15, 2005. This should allow Contractor enough time to prepare the requisite reports concerning the revenues.]

The City shall estimate the amount of semi-monthly payments to Contractor based upon Contractor's estimated Direct Costs and Contractor's fixed management fee. The City shall pay the amount of projected semi-monthly Direct Costs and proportionate fixed management fee to Contractor on a semi-monthly basis (on the 1st and 15th of each month) in advance as an estimated payment. The City's first estimated payment, of \$85,000.00, shall be due to Contractor on September 1, 2005. Subsequent estimated semi-monthly payments from the City to Contractor, throughout the term of this Agreement, shall also be in the amount of \$85,000.00. However, an adjustment may be made to the estimated Direct Costs amount if necessary, to account for changes in Net Revenue as the Agreement progresses, as agreed upon by the Director and Contractor.

Within five (5) days of the completion of each quarter under this Agreement, Contractor shall present to the Director an accounting of the difference between its Direct Costs and the Net Revenues, less the New Business Percentage as defined in Section 4 below (if applicable) for the prior quarter. Within fifteen (15) days after receiving the accounting, the Director shall compare the estimated payments paid to Contractor during the prior quarter against the actual amounts owed to Contractor (the Direct Costs incurred plus any New Business Percentage, if any, or any other amount owed to Contractor under this Agreement). If the City has overpaid Contractor for the last quarter, then the Director shall notify Contractor to return any overpayment within ten days. If the City has underpaid the Contractor, then the City shall adjust the then next due semi-monthly payment to account for the underpayment.

1. DIRECT COSTS—FIXED FEE

Direct Costs shall not exceed the total amounts shown below in any Agreement Year. The amounts for Contractor proposed enhancements may vary from year to year, as requested and approved by the Director, but shall not exceed **\$500,000.00** over the entire term of the Agreement.

	Direct Costs	Proposed Enhancements	Total
Contract Year 1	\$1,836,431.00	\$150,000.00	\$1,986,431.00
Contract Year 2	\$1,841,442.00	\$100,000.00	\$1,941,442.00
Contract Year 3	\$1,854,886.00	\$100,000.00	\$1,954,886.00
Contract Year 4	\$1,861,525.00	\$75,000.00	\$1,936,525.00
Contract Year 5	\$1,868,230.00	\$75,000.00	\$1,943,230.00
Total	\$9,262,514.00	\$500,000.00	\$9,762,514.00

2. MANAGEMENT COMPONENT

A management component is included in the Direct Costs. City’s payments to Contractor shall include an annual management component of \$20,000.00 each Agreement Year, paid in semi-monthly installments.

3. PERFORMANCE INCENTIVE

As additional consideration, Contractor may be eligible to receive a semi-annual Performance Incentive based on Contractor's performance under this Agreement, and the Director's level of satisfaction with that performance. Contractor's performance herein will be evaluated for the preceding six (6) months based upon the criteria contained in Exhibit “C.” Minor adjustments may be made to the evaluation criteria and evaluation form as the Agreement progresses, if mutually agreed upon by the Director and Contractor, to reflect changes in the Scope of Services or the Department’s objectives. The evaluation shall be conducted within thirty (30) days after the conclusion of each six (6) month period.

The following Performance Incentive Percentages at each Parking Facility shall be applied to Net Revenues (Revenues less sales tax), less Direct Costs. The applicable percentage shall be multiplied by the applicable Net Revenues generated by Contractor for the immediately preceding six (6) month evaluation period, less the Direct Costs paid to Contractor during such evaluation period.

<u>Year</u>	<u>Percentage</u>
First	0.75 %
Second	0.75 %

Third	0.75 %
Renewal Year 1	0.75 %
Renewal Year 2	0.75 %

Contractor has no vested right to receive the Performance Incentive described herein. It is a contingent right based upon Contractor's performance under this Agreement and the Director's level of satisfaction with that performance. After applying the appropriate Performance Incentive Percentage to the Net Revenues (less Direct Costs paid) for the evaluation period, the Director shall have the right, in his or her sole discretion, to reduce or eliminate altogether the amount of Performance Incentive payable to Contractor for the evaluation period. Contractor shall have no recourse against City for any such reduction or elimination.

Notwithstanding the foregoing, payment of a Performance Incentive shall never exceed fifty percent (50%) of the Direct Costs paid to Contractor during the evaluation period.

Following the initial six (6) month evaluation utilizing the criteria in Exhibit "C", the Director shall have the right and option to designate and implement additional quantifiable performance goals to be utilized for any subsequent six (6) month evaluations to be performed pursuant to this Agreement. Such additional performance goals will be provided to Contractor on or before the beginning of the six (6) month evaluation period to which they will be applied, together with the rating or scoring scales to be utilized for such goals. The additional performance goals may be weighted so as to constitute up to forty percent (40%) of the evaluation factors used to determine the Performance Incentive payment, as designated by the Director.

4. NEW BUSINESS

In the event that the Department expands existing Parking Facilities or builds other garages during the term of the Agreement, Contractor may be allowed to participate in sharing a percentage of New Business. New Business is defined as business approved by the Director as a result, in whole or in part, by the efforts of the Contractor, which is added to Parking Facilities built or expanded after the effective date of the Agreement. New Business shall not include sales taxes, exhibitor and group permit sales by the GRBCC, or parking fees paid by City employees or City departments. Contractor shall be paid **1.00%** of the Net Revenue derived from the charges for New Business customer parking, for each monthly reporting period.

5. PAYMENT FOR SHUTTLE BUS OPERATION & MAINTENANCE SERVICES

For each month of the Shuttle Bus operation, the Contractor shall credit the City for **100%** of the Net Revenues from the Shuttle Bus operation, after deducting reasonable Direct Costs, all of which shall be accounted for in the Contractor's monthly statements to the City.

6. VALET PARKING SERVICES

Contractor shall credit the City for **100%** of the Net Revenues from Valet Parking Services, after deducting Direct Costs, all of which shall be accounted for in the Contractor's monthly statements to the City.

EXHIBIT "C"

PERFORMANCE INCENTIVE BONUS PROGRAM

PERFORMANCE INCENTIVE BONUS PROGRAM

1. PERFORMANCE INCENTIVE BONUS - INSTRUCTIONS

The purpose of each evaluation is to judge the performance of the parking and shuttle bus operations and to determine whether Contractor's performance during the evaluation period met or exceeded the expectations of the City.

STEP 1:

Post the name of the Parking Facility and Evaluation Period on the Performance Incentive Evaluation and Calculation forms.

Evaluate the performance of the Contractor at each individual Parking Facility, using the Performance Evaluation Form, under each Category. Each item under each category will be rated on a scale of 1 to 10, with 1 = poor and 10 = excellent.

For those items where there are multiple questions under a category, the points for a Yes or No answer are listed. Circle Yes or No and total the points for the category.

Those items which are not applicable for a particular Parking Facility (e.g., shuttle bus operations) should be marked N/A. The format of the following Performance Incentive Calculation Form is subject to revision as agreed upon by Director and Contractor to account for changes in the scope of services.

STEP 2:

Identify Total Net Revenues and Direct Costs for the period. Calculate Available Incentive Percentage Amount. Post this information on the Performance Incentive Calculation Form.

STEP 3:

Transfer total points for each category to the Performance Incentive Calculation Form. Calculate the available bonus to be awarded for each category by dividing points awarded by points available.

The Performance Incentive amount available for each category is the total Available Incentive Amount multiplied by the percent (%) of bonus to be awarded for the category.

The Incentive awarded for each category is the Available Amount for the category multiplied by the level achieved.

STEP 4:

Calculate the Incentive Amount for each category to the Total sheet and add up the total Incentive to be awarded by adding the amounts awarded for each category.

2. PARKING OPERATIONS OVERVIEW

GRBCC and Super Block parking lots	Theater District (includes Theater District Parking Garages, City Hall Annex garage, HCA parking lot, Lots C& H, and HPD lot)	Fannin Garage	TOTAL
------------------------------------	--	---------------	-------

Net Revenue _____
minus <Operating Expenses> _____
equals Net Operating Income _____

Net Operating Income (FOR TIME PERIOD): _____ x _____ %

PARKING OPERATIONS BONUS CALCULATIONS

- | | |
|--|--|
| 1. THEATER DISTRICT GARAGES
(including Lots C&H, City Hall Annex,
HPD parking lot) | NET OPERATING INCOME
_____ X ___ % = \$ _____ |
| 2. FANNIN GARAGE | _____ X ___ % = \$ _____ |
| 3. GRBCC | _____ X ___ % = \$ _____ |

 TOTAL POSSIBLE BONUS AMOUNT = \$ _____

BONUS:

THEATER DISTRICT GARAGES (including Lots C&H, City Hall Annex, HPD lot)	\$ _____
FANNIN GARAGE	\$ _____
<u>GRBCC</u>	\$ _____
TOTAL BONUS = \$ _____	

PERFORMANCE INCENTIVE BONUS – EVALUATION FORM
EVALUATION PERIOD: _____

RATING: 0 = POOR to 10 = EXCELLENT

CATEGORY I. A. CUSTOMER SERVICE – PARKING OPERATIONS (55 points max)	Theater District	Fannin Garage	GRBCC
A) Responsiveness to customer complaints.			
B) Customer exit waiting times and Cashier processing times.			
C) Customer appreciation letters and emails.			
D) Service enhancements implemented as scheduled.			
E) Cashier/Attendant performance. 1) Cashiers effectively trained in surrounding facility information and customer service procedures. Yes = 10 No = 0			
2) Customer complaints. Yes = 0 No = 5			
CATEGORY II. A. EFFICIENCY OF OPERATION – PARKING OPERATIONS (68 points max) (45 points max GRBCC)	Theater District	Fannin Garage	GRBCC
A) Maintenance and appearance of equipment (parking, office, scrubber, sweeper).			
B) Appearance of physical facility.			
C) Cleanliness of physical facility. (rating times 2)			
D) <u>Effective use of manpower.</u> Manning for peak periods anticipated. Yes = 5 No = 0			
	Theater District	Fannin Garage	GRBCC
E) Cash management: 1) Deposits on time each banking day. Yes = 3 No = 0			N/A
2) Cashier overages/shortages acceptable. Yes = 2 No = 0			N/A
3) Reports accurate. Yes = 2 No = 0			N/A
4) Report on time. Yes = 3 No = 0			N/A
F) <u>Missing tickets.</u> Detailed explanation for variance submitted with monthly report. Yes = 3 No = 0			N/A
G) Audits (physical, cash control, operational) by Parking Operations including Mystery Shoppers. Specify type of audit.			N/A

CATEGORY III. A. MANAGEMENT PERFORMANCE – PARKING OPERATIONS (100 points max)	Theater District	Fannin Garage	GRBCC
A) <u>Operational recommendations:</u> 1) Changes in service levels. Yes = 4 No = 0			
2) Improvements. Yes = 4 No = 0			
3) Parking rates analyses. Yes = 2 No = 0			
B) On-site management. (rating times 2)			
C) Area management.			
D) Corporate management.			
E) Corporate services.			
F) Service enhancements implemented as scheduled. (rating times 4)			
CATEGORY IV. A. RESPONSIVENESS TO PARKING FACILITY – PARKING OPERATIONS (50 points max)	Theater District	Fannin Garage	GRBCC
A) Assisted Parking Operations management in planning for special events including holidays and peak periods.			
B) Copy of written operational procedures and policy manual specifically for Parking Facility current and updated in Parking Contractor's management office.			
C) Response to Parking Operations management requests.			
D) Proactive approach to management and assistance.			
E) Parking Operations management's overall opinion of performance.			
CATEGORY I. B. CUSTOMER SERVICE – SHUTTLE BUS (80 points max)	Theater District	Fannin Garage	GRBCC
A) Responsiveness to customer complaints.		N/A	N/A
B) Customer pickup waiting times (on & off peak).		N/A	N/A
C) Customer appreciation letters and emails.		N/A	N/A
D) Parking Operations management's overall opinion of customer service provided (rating times 2)		N/A	N/A
E) Driver performance: 1) Drivers in approved uniform. Yes = 5 No = 0		N/A	N/A

CATEGORY I. B. (continued)	Theater District	Fannin Garage	GRBCC
2) Drivers effectively trained in surrounding facility information and customer service procedures. Yes = 5 No = 0		N/A	N/A
3) Cleanliness of bus. Yes = 5 No = 0		N/A	N/A
4) Customer complaints. Yes = 0 No = 5		N/A	N/A
5) Accidents/Reckless Driving. Yes = 0 No = 5		N/A	N/A
6) Driver responsive to customer inquiries. Yes = 0 No = 5		N/A	N/A
CATEGORY II. B. EFFICIENCY OF OPERATION – SHUTTLE BUS OPERATION (35 points max)	Theater District	Fannin Garage	GRBCC
A) Maintenance of vehicles and monthly records.		N/A	N/A
B) Appearance of vehicles.		N/A	N/A
C) Effective use of manpower and vehicles: Yes = 5 No = 0		N/A	N/A
D) Audits (physical, operational). Specify type of audit.		N/A	N/A
CATEGORY III. B. MANAGEMENT PERFORMANCE – SHUTTLE BUS OPERATION (30 points max)	Theater District	Fannin Garage	GRBCC
A Operational recommendations: 1) Changes in service levels. Yes = 4 No = 0		N/A	N/A
2) Improvements. Yes = 3 No = 0		N/A	N/A
3) Shuttle routes followed as scheduled. Yes = 3 No = 0		N/A	N/A
B) Local management. (rating times 2)		N/A	N/A
CATEGORY IV. B. RESPONSIVENESS TO PARKING FACILITY – SHUTTLE BUS OPERATION (40 points max)	Theater District	Fannin Garage	GRBCC
A) Assisted Parking Operations management in planning for special events.		N/A	N/A
B) Response to Parking Operations management requests.		N/A	N/A
C) Proactive approach to management and assistance.		N/A	N/A
D) Parking Operations management's overall opinion of performance.		N/A	N/A

PERFORMANCE INCENTIVE BONUS - CALCULATION FORM

EVALUATION PERIOD: _____

AVAILABLE INCENTIVE PERCENTAGE (_____ % of Net Revenues less Direct Costs paid)
 (Not to exceed 1/2% of the Direct Costs paid during the evaluation period)

FACILITY	CATEGORY	POINTS AVAILABLE	% OF AVAILABLE AMOUNT	POINTS AWARDED	AVAILABLE INCENTIVE \$ AMOUNT	% OF TOTAL POINTS	NET REVENUE	AVAILABLE INCENTIVE PERCENTAGE
Theater District	I. A. CUSTOMER SERVICE - PARKING OPERATIONS	55	25					
	II. A. EFFICIENCY OF OPERATION - PARKING OPERATIONS	68	25					
	III. A. MANAGEMENT PERFORMANCE - PARKING OPERATIONS	100	20					
	IV. A. RESPONSIVENESS TO PARKING FACILITY - PARKING OPERATIONS	50	20					
	I. B. CUSTOMER SERVICE - SHUTTLE BUS	80	2.5					
	II. B. EFFICIENCY OF OPERATION - SHUTTLE BUS OPERATION	35	2.5					
	III. B. MANAGEMENT PERFORMANCE - SHUTTLE BUS OPERATION	30	2.5					
	IV. B. RESPONSIVENESS TO PARKING FACILITY - SHUTTLE BUS OPERATION	40	2.5					

PERFORMANCE INCENTIVE BONUS - CALCULATION FORM

EVALUATION PERIOD: _____

AVAILABLE INCENTIVE PERCENTAGE (_____ % of Net Revenues less Direct Costs paid)
 (Not to exceed 1/2% of the Direct Costs paid during the evaluation period)

FACILITY	CATEGORY	POINTS AVAILABLE	% OF AVAILABLE AMOUNT	POINTS AWARDED	AVAILABLE INCENTIVE \$ AMOUNT	% OF TOTAL POINTS	NET REVENUE	AVAILABLE INCENTIVE PERCENTAGE
Fannin Garage	I. A. CUSTOMER SERVICE – PARKING OPERATIONS	55	27.5					
	II. A. EFFICIENCY OF OPERATION – PARKING OPERATIONS	68	27.5					
	III. A. MANAGEMENT PERFORMANCE – PARKING OPERATIONS	100	22.5					
	IV. A. RESPONSIVENESS TO PARKING FACILITY – PARKING OPERATIONS	50	22.5					
	I. B. CUSTOMER SERVICE – SHUTTLE BUS	0	0					
	II. B. EFFICIENCY OF OPERATION – SHUTTLE BUS OPERATION	0	0					
	III. B. MANAGEMENT PERFORMANCE – SHUTTLE BUS OPERATION	0	0					
	IV. B. RESPONSIVENESS TO PARKING FACILITY – SHUTTLE BUS OPERATION	0	0					

PERFORMANCE INCENTIVE BONUS - CALCULATION FORM

EVALUATION PERIOD: _____

AVAILABLE INCENTIVE PERCENTAGE (_____ % of Net Revenues less Direct Costs paid)
 (Not to exceed 1/2% of the Direct Costs paid during the evaluation period)

FACILITY	CATEGORY	POINTS AVAILABLE	% OF AVAILABLE AMOUNT	POINTS AWARDED	AVAILABLE INCENTIVE \$ AMOUNT	% OF TOTAL POINTS	NET REVENUE	AVAILABLE INCENTIVE PERCENTAGE
GRBCC	I. A. CUSTOMER SERVICE – PARKING OPERATIONS	55	27.5					
	II. A. EFFICIENCY OF OPERATION – PARKING OPERATIONS	55	27.5					
	III. A. MANAGEMENT PERFORMANCE – PARKING OPERATIONS	100	22.5					
	IV. A. RESPONSIVENESS TO PARKING FACILITY – PARKING OPERATIONS	50	22.5					
	I. B. CUSTOMER SERVICE – SHUTTLE BUS	0	0					
	II. B. EFFICIENCY OF OPERATION – SHUTTLE BUS OPERATION	0	0					
	III. B. MANAGEMENT PERFORMANCE – SHUTTLE BUS OPERATION	0	0					
	IV. B. RESPONSIVENESS TO PARKING FACILITY – SHUTTLE BUS OPERATION	0	0					

PERFORMANCE INCENTIVE EVALUATION TOTALS:

FACILITY: GEORGE R. BROWN CONVENTION CENTER

CATEGORY I.A. 28%
CUSTOMER SERVICE--PARKING OPERATIONS \$ _____

CATEGORY II.A. 27%
EFFICIENCY OF OPERATION--PARKING OPERATIONS \$ _____

CATEGORY III.A. 22.5%
MANAGEMENT PERFORMANCE--PARKING OPERATIONS \$ _____

CATEGORY IV.A. 22.5%
RESPONSIVENESS TO PARKING FACILITY \$ _____

TOTAL AMOUNT RECOMMENDED
FOR INCENTIVE \$ _____

EXHIBIT "D"

**DRUG DETECTION AND DETERRENCE
PROCEDURES FOR CONTRACTORS**

**CITY OF HOUSTON
DRUG DETECTION AND DETERRENCE PROCEDURE**

- (a) It is the policy of the City to achieve a drug-free workforce and to provide a workplace that is free from the use of illegal drugs and alcohol. It is also the policy of the City that the manufacture, distribution, dispensation, possession, sale or use of illegal drugs or alcohol by contractors while on City premises is prohibited. By executing this Contract, Contractor represents and certifies that it meets and shall comply with all the requirements and procedures set forth in the Mayor's Policy on Drug Detection and Deterrence, City Council Motion No. 92-1971 ("Mayor's Policy") and the Mayor's Drug Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), both of which are on file in the Office of the City Secretary.
- (b) Confirming its compliance with the Mayor's Policy and Executive Order, Contractor, as a condition precedent to City's obligations under this Contract, will have filed with the Contract Compliance Officer for Drug Testing ("CCODT"), prior to execution of this Contract by the City, (i) a copy of its drug-free workplace policy, (ii) the Drug Policy Compliance Agreement substantially in the format set forth in Attachment "A" to the Executive Order, together with a written designation of all safety impact positions, and (iii) if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the format set forth in Attachment "C" to the Executive Order. If Contractor files written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every six (6) months during the performance of this Contract or upon the completion of this Contract if performance is less than six (6) months, a Drug Policy Compliance Declaration in a form substantially similar to Attachment "B" to the Executive Order. The Drug Policy Compliance Declaration shall be submitted to the CCODT within thirty days of completion of this Contract. The first six (6) month period shall begin to run on the date City issues its notice to proceed hereunder or if no notice to proceed is issued, on the first day Contractor begins work under this Contract.
- (c) Contractor shall have the continuing obligation to file with the CCODT written designations of safety impact positions and Drug Policy Compliance Declarations at anytime during the performance of this Contract that safety impact positions are added if initially no safety impact positions were designated. Contractor also shall have the continuing obligation to file updated designations of safety impact positions with the CCODT when additional safety impact positions are added to Contractor's employee work force.
- (d) The failure of Contractor to comply with the above Sections shall be a breach of this Contract entitling City to terminate in accordance with Article IV.

**DRUG POLICY COMPLIANCE AGREEMENT
ATTACHMENT A**

I, _____ as an owner or officer of
(Name) (Print/Type)(Title)

(Name of Company) (Contractor)

have authority to bind Contractor with respect to its bid, offer or performance of any and all contracts it may enter into with the City of Houston; and that by making this Agreement, I affirm that the Contractor is aware of and by the time the contract is awarded will be bound by and agree to designate appropriate safety impact positions for company employee positions, and to comply with the following requirements before the City issues a notice to proceed.

1. Develop and implement a written Drug Free Workplace Policy and related drug testing procedures for the Contractor that meet the criteria and requirements established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Drug Policy) and the Mayor's Drug Detection and Deterrence Procedures for Contractors (Executive Order No. 1-31).
2. Obtain a facility to collect urine samples consistent with Health and Human Services (HHS) guidelines and a HHS certified drug testing laboratory to perform the drug tests.
3. Monitor and keep records of drug tests given and the results, and upon request from the City of Houston, provide confirmation of such testing and results.
4. Submit semi-annual Drug Policy Compliance Declarations.

I affirm on behalf of the Contractor that full compliance with the Mayor's Drug Policy and Executive Order No. 1-31 is a material condition of the contract with the City of Houston.

I further acknowledge that falsification, failure to comply with or failure to timely submit declarations and/or documentation in compliance with the Mayor's Drug Policy and/or Executive Order No. 1-31 will be considered a breach of the contract with the City and may result in non-award or termination of the contract by the City of Houston.

Date

Contractor Name

Signature

Title

DRUG POLICY COMPLIANCE DECLARATION ATTACHMENT "B"

I, _____ as an owner or officer of
(Name) (Print/Type) (Title)

_____ (Contractor)
(Name of Company)

have personal knowledge and full authority to make the following declarations:

This reporting period covers the preceding six months from _____ to _____, 20_____.

_____ A written Drug Free Workplace Policy has been implemented and employees notified. The policy
Initials meets the criteria established by the Mayor's Amended Policy on Drug Detection and Deterrence
 (Mayor's Policy).

_____ Written drug testing procedures have been implemented in conformity with the Mayor's Drug
Initials Detection and Deterrence Procedures for Contractors, Executive Order 1-31. Employees have
 been notified of such procedures.

_____ Collection/testing has been conducted in compliance with federal Health and Human Services
Initials (HHS) guidelines.

_____ Appropriate safety impact positions have been designated for employee positions performing on
Initials the City of Houston contract. The number of employees on safety impact positions during this
 reporting period is _____.

_____ From _____ to _____ the following testing has occurred:
Initials (start date) (end date)

	<u>Random</u>	<u>Reasonable Suspicion</u>	<u>Post Accident</u>	<u>Total</u>
Number of Employees Tested	_____	_____	_____	_____
Number of Employees Positive	_____	_____	_____	_____
Percent Employees Positive	_____	_____	_____	_____

_____ Any employee who tested positive was immediately removed from the City worksite consistent
Initials with the Mayor's Policy and Executive Order No. 1-31.

_____ I affirm that falsification or failure to submit this declaration timely in accordance with
Initials established guidelines will be considered a breach of contract.

I declare under penalty of perjury that the affirmations made herein and all information contained in this
 declaration are within my personal knowledge and are true and correct.

Date

Contractor Name

Signature

Title

**Contractor's Certification of No Safety Impact Positions
In Performance Of A City Contract
ATTACHMENT "C"**

I, _____
(Name) (Print/Type) (Title)

as an owner or officer of _____ (Contractor) have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has no employee safety impact positions as defined in §5.18 of Executive Order No. 1-31 that will be involved in performing this City Contract. Contractor agrees and covenants that it shall immediately notify the City's Director of Personnel if any safety impact positions are established to provide services in performing this City Contract.

Date

Contractor Name

Signature

Title

**CONTRACTOR'S CERTIFICATION OF NON-APPLICATION OF
CITY OF HOUSTON DRUG DETECTION AND DETERRENCE PROCEDURES
FOR CONTRACTORS
ATTACHMENT "D"**

I _____ as an owner or officer of
(NAME) (PRINT/TYPE)

_____ (Contractor) have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has fewer than fifteen (15) employees during any 20-week period during a calendar year and also certify that Contractor has no employee safety impact positions as defined in 5.18 of Executive Order No. 1-31 that will be involved in performing this City Contract. Safety impact position means a Contractor's employment position involving job duties that if performed with inattentiveness, errors in judgment, or diminished coordination, dexterity, or composure may result in mistakes that could present a real and/or imminent threat to the personal health or safety of the employee, co-workers, and/or the public.

DATE

CONTRACTOR'S NAME

SIGNATURE

TITLE

EXHIBIT “E”

M/WBE SUBCONTRACT TERMS

CITY OF HOUSTON CERTIFIED M/WBE SUBCONTRACT TERMS

Contractor shall insure that all subcontracts with M/WBE subcontractors and suppliers are clearly labeled “**THIS CONTRACT IS SUBJECT TO BINDING ARBITRATION ACCORDING TO THE TEXAS GENERAL ARBITRATION ACT**” and contain the following terms:

1. _____ (M/WBE subcontractor) shall not delegate or subcontract more than 50% of the work under this subcontract to any other subcontractor or supplier without the express written consent of the City of Houston’s Affirmative Action Director (“the Director”)
2. _____ (M/WBE subcontractor) shall permit representatives of the City of Houston, at all reasonable times, to perform 1) audits of the books and records of the subcontractor, and 2) inspections of all places where work is to be undertaken in connection with this subcontract. Subcontractor shall keep such books and records available for such purpose for at least four (4) years after the end of its performance under this subcontract. Nothing in this provision shall affect the time for bringing a cause of action nor the applicable statute of limitations.
3. Within five (5) business days of execution of this subcontract, Contractor (prime contractor) and Subcontractor shall designate in writing to the Director an agent for receiving any notice required or permitted to be given pursuant to Chapter 15 of the City Code of Ordinances, along with the street and mailing address and phone number of such agent.
4. As conclude by the parties to this subcontract, and as evidenced by their signatures hereto, any controversy between the parties involving the construction or application of any of the terms, covenants or conditions of this subcontract shall, on the written request of one party served upon the other or upon notice by Director served on both parties, be submitted to binding arbitration, under the Texas General Arbitration Act (Tex. Civ. Prac. & Rem. Code Ann., Ch. 171 – “the Act”). Arbitration shall be conducted according to the following procedures:
 - a. Upon the decision of the Director or upon written notice to the Director from either party that a dispute has arisen, the Director shall notify all parties that they must resolve the dispute within thirty (30) days or the matter may be referred to arbitration.
 - b. If the dispute is not resolved within the time specified, any party or the Director may submit the matter to arbitration conducted by the American Arbitration Association under the rules of the American Arbitration Association, except as otherwise required by the City’s contract with American Arbitration Association on file in the Office of the City’s Affirmative Action Division.
 - c. Each party shall pay all fees required by the American Arbitration Association and sign a form releasing the American Arbitration Association and its arbitrators from liability for decisions reached in the arbitration.
 - d. In the event the American Arbitration Association no longer administers Affirmative Action arbitration for the City, the Director shall prescribe alternate procedures as necessary to provide arbitration by neutrals in accordance with the requirements of Chapter 15 of the Houston City Code of Ordinances.

These provisions apply to goal oriented contracts. A goal oriented contract means any contract for the supply of goods or non-personal or non-professional services in excess of \$100,000.00 for which competitive bids are required by law; not within the scope of the MBE/WBE program of the United States Environmental Protection Agency or the United States Department of Transportation; and, which the City Purchasing Agent has determined to have significant M/WBE subcontracting potential in fields which there are an adequate number on known MBEs and/or WBE’s to compete for City contract.

The M/WBE policy of the City of Houston will discussed during the pre-bid. For information assistance, and/or to receive a copy of the City’s Affirmative action policy and/or ordinance contact the Affirmative Action Division at (713) 837-9000, 611 Walker, 20th Floor, Houston, Texas.

EXHIBIT "F"

EQUAL EMPLOYMENT OPPORTUNITY

1. The contractor, subcontractor, vendor, supplier, or lessee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or age. The contractor, subcontractor, vendor, supplier, or lessee will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex, national origin, or age. Such action will include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The contractor, subcontractor, vendor, supplier or lessee agrees to post in conspicuous places available to employees, and applicants for employment, notices to be provided by the City setting forth the provisions of this Equal Employment Opportunity Clause.
2. The contractor, subcontractor, vendor, supplier, or lessee states that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin or age.
3. The contractor, subcontractor, vendor, supplier, or lessee will send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer advising the said labor union or worker's representative of the contractor's and subcontractor's commitments under Section 202 of Executive Order No. 11246, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The contractor, subcontractor, vendor, supplier, or lessee will comply with all provisions of Executive Order No. 11246 and the rules, regulations, and relevant orders of the Secretary of Labor or other Federal Agency responsible for enforcement of the equal employment opportunity and affirmative action provisions applicable and will likewise furnish all information and reports required by the Mayor and/or Contractor Compliance Officer(s) for purposes of investigation to ascertain and effect compliance with this program.
5. The contractor, subcontractor, vendor, supplier, or lessee will furnish all information and reports required by Executive Order No. 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to all books, records, and accounts by the appropriate City and Federal Officials for purposes of investigations to ascertain compliance with such rules, regulations, and orders. Compliance reports filed at such times as directed shall contain information as to the employment practice policies, program, and work force statistics of the contractor, subcontractor, vendor, supplier, or lessee.
6. In the event of the contractor's, subcontractor's, vendor's, supplier's, or lessee's non-compliance with the non-discrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor, subcontractor, vendor, supplier, or lessee may be declared ineligible for further City contracts in accordance with procedures provided in Executive Order No. 11246, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as may otherwise be provided by law.
7. The contractor shall include the provisions of paragraphs 1-8 of this Equal Employment Opportunity Clause in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.
8. The contractor shall file and shall cause his or her subcontractors, if any, to file compliance reports with the City in the form and to the extent as may be prescribed by the Mayor. Compliance reports filed at such times as directed shall contain information as to the practices, policies, programs, and employment policies and employment statistics of the contractor and each subcontractor.