



**VALET PARKING SERVICES  
REQUEST FOR PROPOSALS (“RFP”)**

ISSUE DATE: April 8, 2019

DUE DATE: **2:00 P.M.** on **May 2, 2019** (“Submission Deadline”)

INSTRUCTIONS: Please submit five (5) paper copies and one (1) electronic copy of the Request for Proposals (“RFP”) on a flash drive. Diversity participation information provided by Proposers should be delivered with the Proposal in a separately-sealed envelope labelled “Diversity”. Submittals must be delivered in a sealed envelope in person, via mail or courier. Please write “Valet RFP” clearly on the outside of the sealed envelope. Submittals received by email, fax, or after the Submission Deadline will be rejected.

SUBMIT TO: Houston First Corporation, Attn: Mitch Miskowski, 701 Avenida de las Americas, Suite 200, Houston, TX 77010.

CONTACT INFO: Any questions concerning this RFP must be submitted by e-mail to [bids@houstonfirst.com](mailto:bids@houstonfirst.com) no later than **10:00 a.m.** on **April 25, 2019**. Questions will be answered collectively in the form of a Letter of Clarification and made available at [www.houstonfirst.com/do-business](http://www.houstonfirst.com/do-business).

**OVERVIEW**

Houston First Corporation (“HFC”) requests responsive proposals (“Proposals”) from experienced contractors to provide first-class valet parking services at the Hilton Americas-Houston Hotel (the “Hotel”). The Proposer selected is to furnish all labor, supervision, insurance, supplies, and other goods and services necessary to provide valet services in a professional, courteous and cost-effective manner.

Valet operations are to be conducted primarily from a covered kiosk and enclosed cashier booth at the main entryway for the Hotel. Services are to be provided 24 hours per day, seven days per week, 365 days per year, including all holidays. The key operational challenge will be managing high demand for valet during banquets and conventions, as hundreds of cars must be parked during major events for overnight hotel guests and attendees.

The primary parking facility to be used by the valet contractor is the Avenida South Garage, located at 1710 Polk St., this 1,459-space garage is connected by skybridges to the Hotel and the George R. Brown Convention Center. In addition to the Hotel, the parking facility is used to support the convention center, Avenida Plaza, Toyota Center, and area restaurants.

Personnel required to perform the services include valet drivers, cashiers, supervisors, and a project manager. Three shifts are suggested, with a minimum of two drivers and one cashier recommended for the overnight shift. Proposers may, but are not required to, recommend additional personnel using the Pricing Form provided below.

**BACKGROUND**

HFC is a local government corporation created by the City of Houston to facilitate economic growth through the promotion of the greater Houston area and the business of conventions, meetings, tourism, and the arts. HFC manages and operates more than 10 city-owned facilities, including the George R.

Brown Convention Center, Wortham Theater Center, Jones Hall for the Performing Arts, Miller Outdoor Theatre, Theater District Parking Garages, Partnership Tower, Avenida North Parking Garage and Avenida Central Parking Garage.

The Hilton Americas-Houston Hotel is located in the heart of downtown Houston and is connected to the George R. Brown Convention Center via two indoor skywalks. This premier Houston hotel is steps away from Discovery Green Park, Toyota Center, BBVA Compass Stadium, and Minute Maid Park.

### **PRE-PROPOSAL CONFERENCE**

A pre-proposal conference and site tour will be held for the benefit of all potential Proposers at **10:00 a.m.** on **April 23, 2019** in **Room 340** at the **Hilton Americas-Houston Hotel**, located at 1600 Lamar Street, Houston, Texas 77010. Although attendance at the conference is not mandatory, all prospective Proposers are urged to attend.

### **PROPOSAL FORMAT**

Although HFC prefers substance over form, to be considered responsive, Proposers are asked to review the following criteria/information requests and respond, in order, to the best of their ability:

- a. **Transmittal Letter:** Proposers are asked to write a letter communicating effectively why their company should be selected to perform valet parking services. The letter must be signed by a person authorized to make representations on behalf of the Proposer and include their direct phone number and email address. Proposers must make a specific, unambiguous statement accepting and agreeing to comply, if selected, with the “Valet Parking Services Agreement”.
- b. **Experience:** Describe the Proposer’s history in meeting the needs of its clients. Provide three current references for valet parking services at comparable facilities, such as hotels, airports, arenas, shopping malls, convention centers, and office buildings. (Please include a contact name, phone number, and email address for the manager for each such reference.) Additionally, each Proposer must identify, by name and location, all hotels, restaurants, or other businesses for which Proposer provides valet services in the Central Business District of downtown Houston, or include a statement that the Proposer does not provide valet services in downtown Houston.
- c. **Proposer Questionnaire:** To ensure the service needs of HFC are met, and to better understand the benefits offered by Proposer, please review and respond to each item in the Proposer Questionnaire provided below. Costs to HFC for additional services, if any, must be defined clearly.
- d. **Pricing:** Please submit Proposer’s pricing for valet parking services, including an At-Risk Management Fee and Hourly Labor Rates, using the Pricing Form provided below.
- e. **Diversity Commitment:** Proposers should indicate how they intend to make good faith efforts to utilize diverse companies to meet the Diversity Goal set forth in this RFP.
- f. **Value-Added Enhancements:** HFC recognizes that some Proposers may be able to provide new technology and other operationally-beneficial services and solutions. Please describe any such items and identify costs to HFC, if any. At a minimum, each Proposer should provide suggestions for making services more efficient.

All information provided by Proposers should be organized, clear and concise. Although there are no page limits, Proposers are asked to avoid excessive graphics, title pages, or other extraneous information in their proposal other than requested by HFC.

## **EVALUATION**

HFC will review and rank every proposal received in response to this RFP based on the following weighted criteria: Transmittal Letter, including expressed acceptance of the Valet Services Agreement (10 points); Experience, including references (25 points); Proposer Questionnaire responses (15 points); Pricing (25 points); Diversity Commitment (10 points); and Value-Added Enhancements (15 points).

HFC reserves the right to interview the top-ranked Proposers, not to exceed five, prior to making a selection. If interviews are scheduled, then up to 20 additional points may be added to the existing proposal scores of the top-ranked Proposers, for a maximum possible total of 120 points, based on their responsiveness and interview.

HFC intends to award the contract to the Proposer offering the best value to HFC, as measured by HFC utilizing the foregoing evaluation criteria, including the right to award the contract by criteria other than the lowest price proposed. HFC reserves the right to select or reject all or part of any proposal, waive minor technicalities, and select proposals in the manner and to the extent that they serve the best interests of HFC. This RFP does not commit HFC to award a contract, issue a purchase order, or to pay any costs incurred in the preparation of a proposal in response to this RFP. HFC reserves the right to request proposal clarifications/additional information from some or all Proposers.

## **LETTERS OF CLARIFICATION**

Responses to all material questions timely submitted by potential Proposers, as well as revisions incorporated into this RFP by HFC, if any, will be confirmed in a letter and made available online at <http://www.houstonfirst.com/do-business/> ("Letter of Clarification"). When issued, Letters of Clarification become part of this RFP and automatically supersede any previous specifications or provisions in conflict therewith. By submitting their proposal, Proposers shall be deemed to have received all Letters of Clarification and to have incorporated them into their submittal. Verbal responses will not otherwise alter the specifications, terms and conditions as stated herein. It is the responsibility of Proposers to monitor the foregoing link and ensure they receive any such Letters of Clarification and incorporate them in their proposal.

## **FORM OF AGREEMENT**

By submitting a response to this RFP, Proposer agrees, upon notice of selection, to enter into the "Valet Parking Services Agreement" provided below. Pre-printed forms or standard terms submitted by a Proposer shall be disregarded and may result in a Proposal being deemed, in HFC's discretion, as non-responsive.

## **DIVERSITY COMMITMENT**

The Proposer selected will be required to use good-faith efforts to award subcontracts to diversity participants certified by any of the identified certification agencies as defined in the HFC Diversity Program. HFC has established the following goal for these services: **20%** of the total value of the Agreement. Proposers should note if they are certified as a diversity participant in their submittal; however, such certification shall not lessen or otherwise alter the requirement to use good faith efforts to award subcontracts to diversity participants. Diversity participation information provided by Proposers should be delivered with the Proposal in a **separately-sealed envelope** labelled "**Diversity**".

## **RESTRICTIONS ON COMMUNICATIONS**

Throughout the selection process, commencing with the Issue Date, Proposers are directed not to communicate with any HFC or Hotel employee, officer or director regarding their Proposal, or any matter relating to this RFP, other than through [bids@houstonfirst.com](mailto:bids@houstonfirst.com) or during the Pre-proposal Conference. Proposers are solely responsible for observation and compliance with such restrictions, and HFC reserves the right to reject any proposal due to violation of this provision.

## **VENDOR CODE OF CONDUCT**

Proposers who do business or seek to do business with HFC are expected to interact with HFC with high ethics and integrity. To promote ethical conduct by its existing and potential contractors, HFC has adopted a Code of Conduct for Vendors, available online at [www.houstonfirst.com/do-business](http://www.houstonfirst.com/do-business). HFC requires that all Proposers be familiar with and abide by the Code of Conduct for Vendors.

## **CONFLICTS OF INTEREST**

Proposers are advised that they have an affirmative obligation to disclose any affiliation or business relationship with an HFC employee, officer, or director creating a conflict of interest (or appearing to a reasonable person to potentially exist). Those who need the disclosure form may find it online at <http://www.ethics.state.tx.us/forms/CIQ.pdf>. By submitting a proposal, Proposers represent that they are in compliance with the requirements of Chapter 176 of the Texas Local Government Code.

## **PROTEST PROCEDURES**

Any protest relating to the form, terms and conditions, selection criteria, specifications, exhibits, or any other material RFP content must be filed by the actual or potential Proposer with the Purchasing Agent no later than five business days prior to the Submission Deadline. If the protest consists of a dispute regarding the Proposer recommended by the selection committee, or otherwise relates to the alleged misapplication of selection criteria, then the Purchasing Agent must receive the protest from an actual Proposer after the Submission Deadline, but at least three business days prior to consideration of a contract resulting from this RFP by an HFC committee or Board of Directors, whichever is earlier.

All protests must be made in writing and delivered to Houston First Corporation, Attn: Purchasing Agent, 701 Avenida de las Americas, Ste. 200, Houston, TX 77010. To be considered by HFC, protests must be timely received and include, at a minimum, all of the following information: (a) The name, address and contact information of the Proposer, with sufficient information to establish that a bona fide Proposer is the person or entity filing the protest; (b) The full title of the RFP; (c) Material grounds for the protest, including the provisions of the RFP and the applicable law or regulation that serves as the basis for the protest; (d) A statement of the specific relief requested by the Proposer; (e) Reference to and attachment of any pertinent documents or sources relied upon by the protestor that the protesting party wishes to have HFC consider; and (f) An affidavit attached to support any factual allegations stated in the submission. The Purchasing Agent will notify the Proposer promptly to acknowledge receipt of a protest.

## **PUBLIC INFORMATION**

HFC is subject to the Texas Public Information Act ("TPIA"). Information submitted by Proposers is subject to release under the provisions of the TPIA set forth in Chapter 552 of the Texas Government Code. Each page where confidential or proprietary information appears must be labeled as such clearly and unambiguously. Proposers will be advised of any request for public information that implicates their materials and may, in accordance with applicable law, elect to assert objections to disclosure with the Texas Attorney General at their cost and expense.

## **RFP PACKETS**

A complete copy of this RFP, including exhibits, necessary forms and other relevant information is available on-line at [www.houstonfirst.com/do-business](http://www.houstonfirst.com/do-business). This RFP provides the information necessary to prepare and submit a proposal for consideration and ranking by HFC.

## **WITHDRAWAL; ERROR**

Proposals may be withdrawn due to errors or for any other reason by a written request received by [bids@houstonfirst.com](mailto:bids@houstonfirst.com) prior to the Submission Deadline.

## PROPOSER QUESTIONNAIRE

Houston First intends to carefully evaluate the ability of every proposer (each a "Proposer") to perform successfully under the terms of the resulting agreement, giving due consideration to matters such as past performance, resources, and other material items pertaining to the responsibility of each Proposer. Houston First expects each Proposer, to be considered responsive to the requirements of the foregoing RFP, to include a comprehensive document in its Proposal answering all of the following questions fully and truthfully:

1. How long has the Proposer been in business?
2. Approximately how many employees does Proposer have in Houston?
3. Is the Proposer in good standing under the laws of its state of incorporation?
4. Does the Proposer possess the experience, means and resources to perform services in connection with this RFP?
5. How many valet locations does Proposer have in Houston?
6. What is the Proposer's minimum acceptable capture rate for valet parking at the facilities?
7. Can the Proposer implement a biometric time-keeping system for all of its employees and subcontractors by July 1, 2019?
8. Can the Proposer offer any suggestions to restructure the personnel requirements for these services? Please identify any additional costs or anticipated savings to HFC.
9. How will the Proposer improve customer satisfaction with valet parking services?
10. Does the Proposer offer any revenue-enhancing or cost-saving services, management solutions, operational strategies, or technological innovations that could be implemented in support of the Services? If so, please identify any additional costs or anticipated savings to Houston First, and note whether or not such enhancements could be implemented in calendar year 2019.

The undersigned Proposer represents and warrants that all of the information provided in response to the foregoing Proposer Questionnaire is true, correct, complete, and may be relied upon by Houston First without exception:

Proposer: \_\_\_\_\_

By:

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**PRICING FORM**  
**VALET PARKING SERVICES RFP**

\_\_\_\_\_ (the “Proposer”) offers to provide valet parking services at the rates proposed below in accordance with the requirements of the Valet Parking Services RFP issued by Houston First (the “RFP”).

**Section 1. At-Risk Management Fee (Annual)**

As stated in the RFP, Proposers are asked to propose an at-risk management fee for each year of the term, which is subject to reduction based on the occurrence of Disqualifying Events, as defined in the Valet Services Agreement. Please note that amounts stated should be **annual**, not monthly.

Year 1	Year 2	Year 3	Year 4	Year 5

**Section 2. Labor Rates (Hourly)**

Rates must be provided for three positions: Valet Drivers, Cashiers, Supervisors, and a Project Manager. Minimum amounts paid to Valet Drivers, excluding tips, must be paid at least \$6.00 per hour. Proposers may, but are not required to, propose additional staff in the blank fields provided below. Please attach a job description for additional staff proposed, if any. Amounts stated should be **hourly**.

Position	Year 1	Year 2	Year 3	Year 4	Year 5
Valet Driver					
Cashier					
Supervisor					
Project Manager					

Houston First cannot and shall not guarantee any minimum number of positions or service hours, as requirements will fluctuate due to events, seasons, and a host of other variables, known and unknown.

## VALET PARKING SERVICES AGREEMENT

This Valet Parking Services Agreement (“Agreement”) is made by and between Houston First Holdings LLC (“HFH”), whose address is 701 Avenida de las Americas, Ste. 200, Houston, Texas 77010, and [TBD] (“Contractor”), whose address [TBD]. In consideration of the mutual promises contained herein, the parties hereby agree as follows:

### ARTICLE 1: DEFINITIONS

As used in this Agreement, the following terms shall have the meanings assigned below:

1.1 “Cashier” means an individual who handles cash, credit cards, or other approved forms of payment for Contractor in connection with the performances of the Services and who is responsible for the secure storage of vehicle keys.

1.2 “Director of Parking” means the employee designated by Houston First Corporation to manage and oversee the Parking Facilities and parking operations in the Avenida District.

1.3 “Hotel” means the Hilton Americas-Houston Hotel, located at 1600 Lamar St., Houston, Texas 77010.

1.4 “Parking Facility” (and collectively, “Parking Facilities”) means any one of the following garages and surface lots, including all appurtenant tunnels, stairwells, elevators, escalators, ramps, signs, fixtures, and other property, and such additional garages, lots, facilities and locations as HFH may make available to Contractor in connection with this Agreement or the Services, directly or indirectly:

- a. Avenida North Garage: Garage located at 701 Avenida de las Americas.
- b. Avenida Central Garage: Garage located at 1002 Avenida de las Americas.
- c. Avenida South Garage: Garage located at 1710 Polk St.
- d. Tundra Garage: Garage located at 1515 Jackson St.
- e. Staging Lot: Marshalling area located at 901 Ruiz used in support of Avenida District operations.
- f. Lot 4: Surface lot located on Chartres St. behind the George R. Brown Convention Center, Polk St., and Rusk St.
- g. Lot 6: Surface lot located on Chartres St. between Capitol St. and Texas St.
- h. Lot 8: Surface lot on Capitol St. at Hamilton St.

1.5 “Project Manager” means the individual assigned by Contractor to manage and coordinate the Services.

1.6 “Revenue” means all income, receipts and revenue derived from the fees, rates, and charges for providing Services under this Agreement.

1.7 “Supervisor” means an individual assigned by Contractor to provide and perform supervisory duties and other duties in support of the Services.

1.8 “Valet Driver” means an individual who operates vehicles between a drop-off and/or pick-up point and a parking location for Contractor in connection with the performances of the Services.

## ARTICLE 2: DUTIES OF CONTRACTOR

2.1 Services. Contractor shall provide all labor, supervision, management, administrative and support services, materials, equipment, insurance, tools, machinery, transportation, and other goods and services of any kind or type necessary to provide valet parking services at the Hotel and Parking Facilities throughout the Term, 24 hours per day, seven days per week (or as required by HFH), in strict accordance with the terms and conditions of this Agreement, including the Scope of Services attached hereto as **Exhibit “A”** and made a part hereof for all purposes (collectively, the “Services”).

2.2 Standard of Care. Contractor represents and warrants to HFH that the Services shall be performed in compliance with applicable federal, state, and local laws, statutes, ordinances, rules, regulations and lawful orders of public authorities, as may be amended from time to time, and in a good and workmanlike order meeting the standards of quality prevailing in the City of Houston, Texas for services of this kind.

2.3 License and Permits. Contractor shall obtain, maintain, and pay, at its sole cost and expense, for all licenses, permits, and certificates necessary to perform the Services required by any statute ordinance, rule, or regulation. If Contractor performs Services in any manner contrary to applicable laws, statutes, ordinances, rules and regulations, and/or lawful orders of public authorities, then Contractor shall be liable for such violation and shall bear the costs attributable to the correction thereof to the satisfaction of HFH.

2.4 Supervision. Contractor shall supervise and direct the Services, using Contractor’s best skill and attention. Contractor shall be solely responsible for, and have control over, means, methods, techniques, sequences and procedures for coordinating all portions of the Services under the Agreement, except the limited extent that other, specific instructions concerning such matters are set forth in this Agreement or Scope of Services. Contractor shall enforce strict discipline and good order among Contractor’s employees and other persons carrying out the Services. Contractor shall perform all Services using trained and skilled persons having substantial experience performing the work required under the Agreement. Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

2.5 Safety. Contractor represents and warrants to HFH that the Services shall be performed in compliance with applicable federal, state, and local laws, statutes, ordinances, and lawful orders of public authorities, including by way of example and not limitation, all laws pertaining to traffic control and vehicular operation. Without limiting the foregoing, Contractor further represents and warrants that the Services shall be performed in accordance with applicable safety rules and regulations, including but not limited to OSHA standards and directives. Contractor shall ensure that its employees, agents, contractors and subcontractors use personal protective equipment, such as seat belts, and other equipment in the manner and to the extent required to perform the Services safely.

2.6 Actions of Personnel. Contractor is responsible for all aspects of Services performed by its employees, agents, licensees, invitees, and contractors of any tier, including accuracy, quality of performance, service standards, timeliness, and compliance with applicable law. Contractor shall be liable to HFH for the negligent and intentional acts and omissions of Contractor’s employees, agents, contractors, subcontractors, and other persons or entities performing portions of the Services for or on behalf of Contractor, including, but not limited to, theft, loss, or damage to any vehicle, Hotel property, Parking Facility, or other property of any kind or type. Contractor shall, at its sole cost and expense, promptly remedy such damages and restore any property or fixtures thereby affected to the condition existing prior to such damage, to the satisfaction of HFH.

2.7 Field Inspection. Execution of the Agreement by Contractor is a representation to HFH that Contractor has visited and inspected the Hotel and Parking Facilities, become familiar with the conditions under which the Services are to be performed, and correlated personal observations with the requirements of the Agreement.

2.8 Phase-in Services. Contractor represents and warrants to HFH that is shall be prepared in all respects to accomplish a smooth and successful transition of parking operations and services prior to the commencement of the Term. During the phase-in period, which shall begin on the Effective Date, 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, and otherwise prepare for the assumption of control without disruption of operations.

2.9 Phase-out Services. Contractor recognizes that the Services provided under this Agreement are crucial to operation of the Hotel; that continuity thereof must be maintained at a consistently high level without interruption; that upon expiration of the Agreement, a successor contractor may continue these services; that such contractor shall need phase-in orientation training; and that Contractor shall cooperate in order to affect an orderly and efficient transition of service providers. Accordingly, Contractor agrees to and shall provide phase-out services (including, by way of example and not limitation, a detailed review of operations, record keeping, reports, procurement procedures, and all other pertinent aspects of the Services in order to affect an orderly and efficient transition) for up to 90 calendar days prior to the expiration of this Agreement for any successor contractor at no charge to HFH or such successor contractor. 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.

### **ARTICLE 3: TERM AND PAYMENT**

3.1 Term. The Term of this Agreement shall begin on **July 1, 2019** and end on **June 30, 2024** (the "Term"), unless sooner terminated according to the terms of this Agreement. HFH may extend the Term by up to an additional 180 calendar days, on the same terms and conditions, by notifying Contractor in writing of such extension prior to the expiration of the Term.

3.2 Labor Rates. Subject to all terms and conditions of this Agreement, including but not limited to the biometric timekeeping requirement for all personnel, HFH agrees to pay Contractor the following hourly rates for Services performed at the Hotel (the "Labor Rates"): **[TBD]**.

Contractor acknowledges and agrees that HFH has not represented and cannot guarantee any minimum number of service hours or positions. Any new positions shall require an amendment or addendum signed by Contractor and HFH.

3.3 At-Risk Management Fee. Subject to all terms and conditions of this Agreement, Contractor may receive a management fee a management fee for its Services monthly, in arrears, based on the following annual amounts (the "At-Risk Management Fee"): **[TBD]**.

Contractor acknowledges and agrees that HFH has not represented and cannot guarantee any minimum At-Risk Management Fee and that Contractor has no vested interest in receiving all or any portion thereof.

**3.4 Disqualifying Events.** The monthly At-Risk Management Fee shall be reduced by HFH on the number of Disqualifying Events occurring during each previous calendar month during the Term. Any of the following shall constitute a “Disqualifying Event” and result in a percentile deduction of the At-Risk Management Fee otherwise due, as noted below:

- a. Hotel receives 1-5 guest complaints relating to the Services: 5%
- b. Hotel receives 6-10 guest complaints relating to the Services: 10%
- c. Hotel receives more than 10 complaints relating to the Services: 20%
- d. Contractor fails to attend one or more planning meetings at Hotel: 5%
- e. Contractor personnel fail to meet personal conduct or appearance standards at Hotel: 5%
- f. Contractor fails to provide staffing in accordance with approved schedule: 10%
- g. Parking Facility damaged by Contractor personnel: 10%
- h. Contractor fails to create or maintain biometric timekeeping records: 20%
- i. Contractor fails to comply with overtime request-and-approval procedures: 15%
- j. Contractor submits inaccurate or fails to timely submit 1-5 Revenue reports: 5%
- k. Contractor submits inaccurate or fails to timely submit 6-10 Revenue reports: 10%
- l. Contractor submits inaccurate or fails to timely submit 10 or more Revenue reports: 20%

**3.5 Biometric Timekeeping.** Prior to the first date of the Term, Contractor shall provide and install, at its sole cost and expense, a reputable biometric timekeeping system (including equipment and payroll-compatible software) of a kind and type prior approved by the Director of Parking. Contractor represents and warrants that it shall use and maintain such biometric timekeeping system to record and document the actual hours worked of all personnel for which HFH is to be charged under the Agreement, regardless of whether such individuals are paid hourly or salaried by Contractor. Contractor acknowledges and agrees that, should Contractor fail to record and document actual hours worked by its personnel using such biometric timekeeping system for any reason, HFH shall have no obligation to, and shall not, pay any amount to Contractor for such unrecorded hours.

**3.6 Reimbursable Expenses.** In addition to the Hourly Service Fees, HFH agrees to reimburse Contractor at cost for equipment, supplies and parts reasonably and commercially required to perform the Services in the manner and to the extent (i) allowed under this Agreement, including the Scope of Services; (ii) prior-approved, in writing, by the Director of Parking; and (iii) subject to restrictions and limitations provided in this Section. Contractor shall include authorized reimbursable expenses on the appropriate invoice, as directed by HFH. Contractor shall use its best efforts to seek and obtain the best value for HFH in the procurement of any item for which Contractor will seek reimbursement. Notwithstanding the foregoing or any provision in this Agreement to the contrary, if the cost of any specific item will or is reasonably expected to exceed \$3,000, or in the event that the total cost of equipment, supplies and parts in a specific calendar month will or is reasonably expected to exceed \$5,000, then Contractor shall provide an advance estimate to the Director of Parking and observe, comply with, and abide by procurement methods approved by and acceptable to General Counsel for Houston First Corporation.

**3.7 Invoice Requirement.** Contractor will be paid on the basis of, and in response to, separate monthly invoices submitted by Contractor, subject to the review and approval of the Director of Parking. Each such invoice shall detail all Services performed; itemize each position, actual labor hours expended and the correct hourly rate payable by HFH; itemize and detail any Reimbursable Expenses and include all

supporting documentation confirming that such amounts are invoiced at cost and procured in accordance with Section 3.4 of this Agreement; and include such other detail as HFH may require.

3.8 Invoice Procedures. Invoices shall be submitted electronically by the eight (8th) calendar day of the month following each month in which services are performed. HFH shall make payment to Contractor within 30 calendar days of the receipt and approval by HFH of such invoices.

3.9 Invoice Disputes. If any items in any invoice submitted by Contractor are disputed by HFH for any reason, including lack of supporting documentation, then HFH shall temporarily delete the disputed item and pay the remaining amount of the invoice; provided, however, that HFH shall promptly notify Contractor of the dispute and request clarification and/or remedial action. After any dispute shall have been settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on an invoice for the disputed item only.

3.10 Taxes. HFH is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to HFH must not contain assessments of any of these taxes. HFH will furnish HFH's exemption certificate and federal tax identification number to Contractor if requested.

3.11 Payment of Employees and Subcontractors. Contractor shall make timely payments in accordance with applicable state and federal law to all persons and entities supplying labor, materials or equipment for the performance this Agreement, including Contractor's employees and subcontractors. Contractor is solely responsible and liable for the payment of wages and overtime in accordance with applicable law, and such obligation shall not increase the amount due and payable by HFH under this Agreement in in any manner or to any extent. Failure of Contractor to pay its employees as required by law shall constitute a material default under this Agreement. Overtime shall not be payable to Contractor by HFH unless (a) personnel are required to staff a last-minute event scheduled less than 5 days in advance and (b) an overtime request from Contractor is approved in advance and in writing by the Director of Parking.

3.12 Pledge and Encumbrance of Revenue. Contractor recognizes the superiority and priority of liens on all Revenue at the Parking Facilities for the payment of a series of municipal bonds and related financial obligations of the City of Houston and HFH, and that HFH reserves the right to pledge additional revenues in its sole discretion. 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 any such lien on Parking Facilities revenue. Contractor shall provide further written assurance of such stipulation upon request from HFH.

#### **ARTICLE 4: INSURANCE REQUIREMENTS**

4.1 Insurance Requirements. With no intent to limit Contractor's liability under the indemnification provisions hereof, Contractor shall provide and maintain, and shall require its contractors and subcontractors to maintain, for the full duration of the Term, including any extension thereof, at least the following insurance and available limits of liability:

- a. Commercial General Liability, including broad form coverage, contractual liability, bodily injury/death, and property damage in amounts not less than \$2,000,000 each occurrence and \$5,000,000 aggregate;
- b. Automobile Liability, with a combined single limit of \$2,000,000 per occurrence;

- c. Garage Keepers Liability, with a combined single limit of \$2,000,000 per occurrence for bodily injury and property damage;
- d. Commercial Crime Liability with a combined single limit of \$1,000,000 per occurrence;
- e. Workers' Compensation with statutory limits (Contractor shall not self-insure for Workers' Compensation); and
- f. Employer's Liability, with limits of \$1,000,000 for each accident, disease limits of \$1,000,000 per policy and \$1,000,000 per employee.

4.2 Additional Insured Parties. Each policy, except those for Workers' Compensation and Employer's Liability, must include an additional insured endorsement in favor of HFH and Houston First Corporation on the original policy and all renewals or replacements during the term of this Agreement.

4.3 Waiver of Subrogation. Each policy must contain an endorsement approved by HFH waiving any claim or right in the nature of subrogation in favor of HFH and Houston First Corporation on the original policy and all renewals or replacements during the term of this Agreement.

4.4 Rating. The issuer of any policy shall have a Certificate of Authority to transact insurance business in Texas or shall be an eligible non-admitted insurer in the State of Texas and have an A.M. Best's rating of at least A- with a financial size category of Class VI or better, according to the most current edition of Best's Key Rating Guide, Property-Casualty United States.

4.5 Premiums and Deductibles. Contractor shall be solely responsible for payment of all insurance premiums hereunder. Contractor shall be responsible for and bear any claims or losses to the extent of any deductible amounts and waives any claim it may ever have for same against HFH, its officers or employees.

4.6 Primary Insurance. Each policy hereunder, except Workers' Compensation, shall be primary and noncontributory to any other policies of insurance which may be available to HFH with respect to claims arising in connection with this Agreement.

## **ARTICLE 5: LIMITATION OF LIABILITY**

5.1 Release. **CONTRACTOR AGREES TO AND SHALL RELEASE AND FOREVER DISCHARGE HFH AND HOUSTON FIRST CORPORATION, INCLUDING THEIR OFFICERS, DIRECTORS, EMPLOYEES, CONTRACTORS, AND AGENTS, FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE BY CONTRACTOR UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CONCURRENT NEGLIGENCE OF HFH AND CONTRACTOR, AND INCLUDING ALL LIABILITY FOR DAMAGES OR OTHER RELIEF ARISING UNDER FEDERAL OR STATE EMPLOYMENT LAWS RELATING TO OR INVOLVING PERSONNEL EMPLOYED OR RETAINED BY CONTRACTOR.**

5.2 Indemnification. **TO THE MAXIMUM EXTENT ALLOWED BY APPLICABLE LAW, CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD HFH AND HOUSTON FIRST CORPORATION, INCLUDING THEIR OFFICERS, DIRECTORS,**

**EMPLOYEES, CONTRACTORS AND AGENTS, (COLLECTIVELY, "INDEMNITEES") HARMLESS FROM AND AGAINST ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, JUDGMENTS, COSTS, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR OTHER LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE BY CONTRACTOR UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY OR RELATING TO CONTRACTOR AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY, "CONTRACTOR'S") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS; INDEMNITEES' AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; INDEMNITEES' AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND ACTUAL OR ALLEGED VIOLATIONS OF ANY FEDERAL, STATE OR LOCAL EMPLOYMENT LAWS, INCLUDING WITHOUT LIMITATION, ANY AND ALL CLAIMS AND CAUSES OF ACTION BROUGHT AGAINST INDEMNITEES BY CONTRACTOR'S PERSONNEL AND/OR GOVERNMENT AGENCIES ARISING FROM, RELATING TO, OR INVOLVING SERVICES OF CONTRACTOR'S PERSONNEL UNDER THIS AGREEMENT.**

**5.3 Limitation of Liability. INDEMNITEES SHALL NOT BE LIABLE TO CONTRACTOR FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE, OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS (DIRECT OR INDIRECT) AND LOST REVENUES HOWSOEVER ARISING, WHETHER OR NOT CHARACTERIZED IN NEGLIGENCE, TORT, CONTRACT, OR OTHER THEORY OF LIABILITY, EVEN IF THE INDEMNITEES HAVE BEEN ADVISED OF THE POSSIBILITY OF OR COULD HAVE FORESEEN ANY SUCH DAMAGES.**

5.4 Notice of Claims. If HFH 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 30 calendar days. The notice must include a description of the indemnification event in reasonable detail, the basis on which indemnification may be due, and the anticipated amount of the indemnified loss. This notice does not stop or prevent HFH from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If HFH does not provide this notice within the 30-calendar 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.

5.5 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 HFH. Within 10 calendar days after receiving written notice of the indemnification request, Contractor must advise HFH as to whether or not it will defend the claim. If Contractor does not assume the defense, then HFH may assume and control the defense, and all defense expenses constitute an indemnification loss.

5.6 Continued Participation. If Contractor elects to defend the claim, HFH 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 HFH, unless it would result in injunctive relief or other equitable remedies or otherwise require the Indemnitees to comply with restrictions or limitations that adversely affect the Indemnitees; require the Indemnitees to pay amounts

that Contractor does not fund in full; or does not result in the Indemnitees' full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

## ARTICLE 6: DEFAULT AND TERMINATION

6.1 Default. Contractor shall be deemed to be in default under this Agreement due to the occurrence of any of the following events: (a) Contractor fails to perform or observe any material term, condition or requirement under this Agreement; (b) Contractor, or any employee, agent, contractor, or subcontractor of Contractor, violates applicable law in connection with the performance of the Services; (c) Contractor becomes insolvent; (d) All or substantial part of Contractor's assets are assigned for the benefit of its creditors; (e) A receiver or trustee is appointed for Contractor; or (f) Contractor assigns this Agreement without the prior written consent of HFH.

6.2 Remedies. If default by Contractor occurs, then HFH shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, HFH shall have the right, but not the obligation, to cure or cause to be cured on behalf of Contractor any such default, and Contractor shall pay HFH on demand all costs and expenses incurred by HFH in effecting such cure, in addition to all actual damages, losses, costs or expenses incurred by HFH as a result of such default by Contractor.

6.3 Termination for Convenience. HFH reserves the right to terminate this Agreement for convenience at any time by giving 30 calendar days' written notice to Contractor. HFH's right to terminate this Agreement for convenience is cumulative of all rights and remedies that 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. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the service performed under this Agreement up to the termination date. HFH shall then pay the fees to Contractor for Services actually performed, but not already paid for. **TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S EXCLUSIVE REMEDIES FOR HFH'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED HEREIN), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM HFH'S TERMINATION FOR CONVENIENCE.**

6.4 Termination by Contractor. Contractor may terminate this Agreement only if HFH defaults and fails to cure the default after receiving written notice thereof. Default by HFH occurs if HFH fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor seeks to terminate the Agreement, then Contractor must deliver a written notice to HFH describing the default and proposed termination date. Such date must be at least 90 days after HFH receives notice. If HFH cures the default before the proposed termination date, then the proposed termination date is ineffective. If HFH does not cure the default before the proposed termination date, then Contractor may terminate this Agreement upon 30 days' notice to HFH and may seek any remedy available under applicable law, subject to the provisions and limitations of this Agreement.

6.5 Remedies Cumulative. The rights and remedies of HFH under this Agreement shall be cumulative. HFH shall have and may exercise all other rights and remedies not inconsistent herewith as provided under applicable law, or in equity. No exercise by HFH of one right or remedy shall be deemed an election, and

no delay by HFH shall constitute a waiver, election or acquiescence to any default, breach, violation, or on-performance by Contractor.

## **ARTICLE 7: REQUIRED PROVISIONS**

7.1 Diversity Program. Contractor shall make good faith efforts to award subcontracts equal to **20%** of the value of this Agreement to certified, diverse suppliers of good and services in accordance with the Diversity Program established by Houston First Corporation, which is made a part hereof for all purposes. Contractor shall disclose to HFH the manner and extent to which it has made good faith efforts to achieve such goal and submit reports on forms provided by HFH with each invoice, or as directed by HFH.

7.2 Drug Testing. It is the policy of HFH to achieve a drug-free workforce and workplace; Contractor shall comply with this policy and shall subject its employees to drug testing if there is a reasonable suspicion that the employees may be abusing drugs or alcohol while working in a Parking Facility. Prior to their employment by Contractor, all personnel performing Services under this Agreement on a routine basis shall be drug tested at Contractor's sole cost and expense. Subsequent drug testing, whether at random or for reasonable suspicion, shall also be conducted at Contractor's sole cost and expense. Any employee or applicant testing positive for drugs or alcohol shall not be permitted to perform Services for HFH under this Agreement. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by Contractor, including its employees, agents and subcontractors, is prohibited at the Parking Facilities.

7.3 Background Checks. Contractor shall conduct national and local background checks on all temporary and permanent employees, including subcontractor employees, at its sole cost and expense, before they are assigned to perform Services in connection with this Agreement. Background checks shall include a thorough criminal history check, including registered sex offender status, prior employment history check, inclusive of dismissals and reasons, if any, and level of education. Background checks shall be conducted in accordance with EEOC regulations, as may be amended from time to time. Upon request by HFH, Contractor shall provide evidence that the background checks have been conducted, both at the beginning of the Term and at any other time deemed necessary by HFH throughout the Term. Contractor may be required by HFH at Contractor's expense to conduct additional background checks, at its sole cost and expense, for special events. Failure to strictly comply with this requirement is ground for immediate termination of the Agreement.

7.4 Environmental Compliance. Contractor shall comply with all rules, regulations, statutes, or orders of the Environmental Protection Agency, the Texas Commission on Environmental Quality, and any other governmental agency with the authority to promulgate environmental rules and regulations ("Environmental Laws"). Contractor shall promptly reimburse HFH for any fines or penalties levied against HFH because of Contractor's failure to comply. Contractor shall not possess, use, generate, release, discharge, store, dispose of, or transport any Hazardous Materials on, under, in, above, to or from the Hotel or Parking Facilities except in strict compliance with the Environmental Laws. "Hazardous Materials" means any substances, materials, or wastes that are or become regulated as hazardous or toxic substances under any applicable Federal, State, or local laws, regulations, ordinances, or orders. Contractor shall provide a Safety Data Sheet for each and every Hazardous Material used in performance of the work on HFH property as required under the Environmental Laws.

7.5 Sponsorship and Advertising. Contractor shall not display or permit to be displayed any advertisement or sponsor information at the Hotel or Parking Facilities without prior written approval from HFH. The term "sponsor information" includes any third-party name, logo, brand, symbol, motto, trademark, service

mark, or any other indicia of service, product and/or corporate identification. Contractor shall not enter into any advertising or sponsorship agreements in connection with this Agreement or otherwise related to the Hotel or Parking Facilities, including but not limited to sponsoring or supporting an event or Hotel licensee for consideration or name/brand promotion without prior written consent of HFH, as determined by HFH in its sole discretion. Contractor shall not display or use the name, logo, trademark or service mark of the Hotel or HFH in any manner without prior written permission from HFH. This Agreement shall not be construed to restrict or otherwise affect the right of HFH to use third party services (including but not limited to competitors of Contractor) or enter into agreements relating to advertising or sponsorship in any manner.

## **ARTICLE 8: MISCELLANEOUS PROVISIONS**

8.1 Record Inspections and Audits. HFH and its agents shall have the right to examine and review all books, records and billing documents held by Contractor, including its agents, which relate to performance or payment under this Agreement at any time. Contractor shall keep its books and records available for this purpose for at least three years after this Agreement expires or terminates. Nothing in this Section shall affect the time for bringing a cause of action or the applicable statute of limitations. Any discrepancies identified in connection with any such audit shall be corrected by the Contractor within 30 calendar days, and Contractor shall provide HFH a written explanation for each discrepancy, remit any amounts owed to HFH, and take corrective action within such time.

8.2 Confidentiality. Contractor agrees to and shall hold all Confidential Information in strict confidence and protect it with the same degree of care with which the Contractor protects its own confidential information, but in any event with no less than a commercially reasonable standard of care. Contractor agrees that use of Confidential Information shall be limited to purposes necessary to fulfill its Service obligations hereunder. Contractor shall not take for itself or divert to a third party any corporate opportunity arising out of this Agreement or discovered otherwise through the use of Confidential Information. As used herein, the term “Confidential Information” shall mean any information relating to the business, operations, plans, accounts, clients, leases, licenses, finances, or assets of the Hotel or HFH (whether oral or written, and whether in electronic or other form) disclosed to Contractor or learned or developed by Contractor in connection with the performance of the Services.

8.3 PCI and GDPR Compliance. Contractor represents and warrants to HFH that it shall comply with the Payment Card Industry (“PCI”) data security standard and EU General Data Protection Regulation 2016/679 (“GDPR”) in connection with credit card transactions or records or any kind or type held, stored or controlled by Contractor that include personal identifiable information. Contractor shall maintain a comprehensive policy on privacy and information security, including PCI and GRD compliance, and provide a copy to HFH upon request.

8.4 Force Majeure. Timely performance by both parties is essential to this Agreement. However, neither party will be liable for delays or other failures to perform its obligations under this Agreement to the extent the delay or failure is caused by an occurrence of Force Majeure. For purposes of this Agreement, the term “Force Majeure” shall mean fires, floods, hurricanes, tornadoes, explosions, war, terrorism, and the acts of a superior governmental or military authority. The term Force Majeure does not include strikes, slowdowns or other labor disputes; changes in general economic conditions, such as inflation, interest rates, economic downturn, or other factors of general application; or an event that merely makes performance more difficult, expensive or impractical. Relief is not applicable unless the affected party uses due diligence to remove the Force Majeure as quickly as possible and provides the notice describing the actual delay or non-performance incurred within 20 calendar days after the Force Majeure ceases. An

occurrence of Force Majeure shall not extend the Term. Without limiting the foregoing, HFH further reserves the right, due to an occurrence of Force Majeure or other cause beyond the control of HFH, to suspend performance by Contractor for such period of time as HFH may determine in its sole discretion, and Contractor acknowledges and agrees that fees for Services or other payments of any kind or type shall abate for the duration of such period. **CONTRACTOR AGREES TO AND SHALL WAIVE ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSS OR OTHER DAMAGES RESULTING FROM SUSPENSION OF SERVICES OR TERMINATION OF THIS AGREEMENT DUE TO FORCE MAJEURE, EXCEPT FOR AMOUNTS DUE HEREUNDER UP TO THE TIME SERVICES WERE SUSPENDED OR TERMINATED.**

8.5 Notices. Notices to either party to the Agreement must be in writing and must be delivered by hand, United States registered or certified mail, return receipt (or electronic return receipt) requested, Federal Express, UPS or any other national overnight express delivery service. The notice must be addressed to the party to whom the notice is given at its address set out in this Agreement or other address the receiving party has designated previously by proper notice to the sending party. Postage or delivery charges must be paid by the party giving the notice.

8.6 Independent Contractor. HFH and Contractor agree that they do not intend to form, and this Agreement shall not be construed as creating, a partnership or joint venture under any circumstances. Neither party hereto shall have any authority, in any manner or to any extent, to bind the other party. With respect to each other, the parties shall be independent contractors for all purposes.

8.7 Venue and Laws. Contractor shall strictly comply with all applicable laws, ordinances, codes, and regulations that affect performance by Contractor hereunder. This Agreement shall be construed in accordance with the laws of the State of Texas without regard to conflict of law principles. Any litigation in connection with this Agreement shall be in a court of competent jurisdiction in Harris County, Texas.

8.8 Non-Waiver. Failure of either party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing hereunder upon default or failure of performance shall not be considered a waiver of the right to insist on and to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any right or remedy occurring as a result of any future default or failure of performance.

8.9 Policy Compliance. Contractor shall ensure that its personnel observe, abide by, and strictly comply with HFH-approved policies and procedures, including by way of example and not limitation, the Houston First Corporation Cash Control Policy, as each may be amended from time to time during the Term.

8.10 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.

8.11 Non-Exclusivity. Services under this Agreement are non-exclusive, and HFH reserves the right to contract, license, grant, or other allow third-parties persons and entities to perform similar or dissimilar services in its sole discretion without incurring any liability or obligation whatsoever to Contractor.

8.12 Survival. The parties shall remain obligated to each other under all clauses of this Agreement that expressly or by their nature extend beyond the expiration of the Term or termination of the Agreement.

8.13 Assignment and Severability. Contractor shall not assign this Agreement in whole or in part without the prior written consent of HFH. HFH reserves the right to assign this Agreement in whole or in part,

including any or all rights granted hereunder, at any time upon written notice to Contractor. 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.

8.14 Entire Agreement. This Agreement, including the Exhibits attached hereto, represents the entire and integrated agreement between HFH and Contractor with regard to the subject matter hereof and supersedes all prior negotiations, representations or agreements, either written or oral. In the event of a conflict between the Agreement and the Exhibits, this Agreement shall control and prevail. This Agreement may not be altered or amended except in a writing executed on behalf of HFH and Contractor.

[signature page to follow in final Agreement]

**EXHIBIT “A”  
SCOPE OF SERVICES**

[**TBD**] (“Contractor”) agrees to and shall provide all labor, supervision, materials, equipment, insurance, tools, machinery, testing, transportation, and other goods and services of any kind or type necessary to provide parking operations and management services for HFH at the Parking Facilities in strict accordance with the terms and conditions of the foregoing Agreement and the following Scope of Services:

**Article 1. Personnel Requirements**

1.1 Project Manager. Contractor shall engage a Project Manager with at least 5 years’ experience in the provision of valet parking services, who shall ensure the safe and effective performance of the Services. Contractor represents and warrants to HFH that such Project Manager shall direct and supervise all aspects of the Services and is authorized to represent and act for Contractor with regard to all matters pertaining to this Agreement. The Project Manager shall attend regular meetings at the Hotel and communicate regularly with the Director of Parking. The Project Manager shall be responsible for preparing and submitting schedules, reports, invoices, and biometric records on a timely basis. Contractor hereby designates the Project Manager as its authorized representative with respect to the Services and all matters arising under this Agreement.

1.2 Personnel. Contractor shall schedule, engage and provide experienced, qualified, and fully-trained Valet Drivers, Cashiers, Supervisors, and other personnel in sufficient quantity to ensure first-class service, maximize revenue, and provide such other services necessary to fulfill the requirements of the Agreement and this Scope of Services.

1.3 Scheduling. Contractor shall prepare a two-week staffing schedule for the Services and submit same to the Director of Parking and Hotel manager for review, comment and approval at least one week prior to the first day of the proposed schedule. Contractor shall anticipate all conventions, performances, concerts, sporting events, banquets, and other events likely to affect use of the Parking Facilities and schedule personnel accordingly to meet demand, maximize efficiency, and ensure Service standards are met. Contractor personnel shall arrive for work no more than 30 minutes before their shifts begin and shall leave the premises within 15 minutes after their shifts end, unless an early arrival or late departure is necessary due to scheduling irregularities or an emergency situation.

1.4 Direct Contact. Contractor shall designate a responsible corporate executive and provide a direct phone number and email address for such individual, for use by HFH, the Director of Parking and the Hotel manager in the event of an emergency or material concern regarding the performance of the Services. Contractor shall direct each Cashier on duty to answer incoming calls from Hotel guests and ensure that their vehicle is ready when they are ready to depart the Hotel.

1.5 Dedication. Contractor represents and warrants to HFH that its personnel shall not perform any duties whatsoever outside of this Scope of Services during their scheduled shift.

1.6 Uniforms. Contractor shall ensure its personnel (including, for the avoidance of doubt its subcontractors) wear a standardized uniform, as directed and approved by the Director of Parking. All uniform clothing shall be cleaned and pressed. Contractor shall ensure its personnel have good personal hygiene, a well-groomed and neat appearance (e.g., shirt tucked in, appropriate pants and shoes, etc.), and provide friendly service to customers. The provision of uniforms constitutes a Reimbursable Expense, subject to the requirements of Section 3.4 of the Agreement.

1.7 Identification. All Contractor personnel, including subcontractors, shall be required to carry and have clearly displayed on their person an identification card at all times when performing the Services. Contractor shall issue such identification cards at its sole cost and expense. These cards shall include, at a minimum, the company name and first and last name of the individual.

1.8 Training. Prior to the commencement of the Term, Contractor shall, at its sole cost and expense, undertake and complete pre-assignment training using best industry practices, including, at a minimum, all essential and ancillary duties and responsibilities; Hotel and Parking Facility orientation; valet operation; providing courteous assistance in a respectful manner; preparing reports; and other similar training. Contractor shall provide the same level of pre-assignment training to all new employees and contractors, and shall conduct continuing training courses for all personnel on an annual basis. All training shall be documented, and such documentation shall be available promptly upon request from HFH.

1.9 Personnel Changes. The Director of Parking shall have the right to require Contractor to remove from the Hotel and Parking Facilities any persons employed or retained by Contractor who are observed or reasonably believed to have violated the terms of this Agreement, Service standards, applicable law, or the Parking Facility Rules and Regulations.

1.10 Tips. Contractor personnel may accept tips to the extent allowed by Contractor, but in no event shall Contractor personnel solicit tips or any other gratuities from customers or Hotel guests.

## **Article 2. Essential Services**

2.1 Valet Services and Supervision. Contractor agrees to and shall provide, control, supervise, and manage valet parking Services at the Hotel in accordance with this Scope of Services and in a courteous and professional manner serving the best interests of HFH.

2.2 Vehicle Operation. Contractor represents and warrants that its Valet Drivers and other personnel shall observe and comply with all posted directional and advisory signs, yield the right-of-way to pedestrians, and obey safety and traffic regulations while operating a vehicle in connection with the Services, including but not limited to abiding by a 5 MPH speed limit in the Parking Facilities at all times.

2.3 Serially-Numbered Tickets. Contractor shall use serially-numbered tickets in the performance of Services and in accordance with the requirements of this Section. The form, content, design, color, wording, font, logos, and aesthetics of all such tickets shall be subject to and require prior approval of the Director of Parking. Tickets shall include ticketback language approved by General Counsel of Houston First Corporation. The provision of serially-numbered tickets constitutes a Reimbursable Expense, subject to the requirements of Section 3.4 of the Agreement. Contractor shall account for the use of each serially-numbered ticket, retain any voided tickets, and strictly abide by ticket-tracking policies to the satisfaction of the Director of Parking. Should Contractor lose, misplace, or otherwise fail to account for any ticket, then Contractor shall pay the full value (i.e., the daily max rate) to HFH upon demand from the Director of Parking, dollar-for-dollar, as liquidated damages and not as a penalty.

2.4 Inventory. Subject to the requirements of Section 3.4 of the Agreement, Contractor shall provide, as a Reimbursable Expense, and maintain throughout the Term, a commercially reasonable inventory of serially-numbered tickets, receipts, validation stamps or coupons, signs, and other supplies as approved by the Director of Parking to ensure the continuity of Services and avoid unnecessary interruption.

2.5 Parking Rates. Contractor shall post signage, program digital signage, impose, collect, and otherwise implement rates established by the Director of Parking in his discretion. Rates are inclusive of applicable taxes, and the parties agree that any future tax increase or decrease may be reflected in revised parking rates or absorbed into the existing rates, as the option of HFH.

2.6 Unauthorized Discounts Prohibited. Contractor shall not provide except to the limited extent authorized in advance and in writing by the Director of Parking, and Contractor accepts and shall be liable for the full value of any unauthorized complimentary or discounted valet parking allowed by Contractor's personnel without such prior written authorization. Contractor may elect to provide, at Contractor's sole cost and expense, complimentary or discounted valet parking in response to guest complaints or on its own initiative due to poor performance.

2.7 Restricted Use. The manner and extent to which all or a portion of each Parking Facility is to be reserved, disused, set aside, or otherwise restricted for valet parking, monthly parkers, employees, in-house contractors, resident companies, projects, renovations, or other uses shall be determined by the Director of Parking in his sole discretion.

2.8 Oversized Vehicles. Contractor shall ensure that its personnel do not attempt to park any vehicle having a height greater than seven feet (7') or having a length or width exceeding the size of a conventional parking space in any Parking Facility other than a surface lot designated in advance by the Director of Parking.

2.9 Security. Contractor shall work proactively with the security contractors at the Hotel and Parking Facilities to limit crimes of opportunity, theft, vandalism, vagrancy, unauthorized commercial transactions, and other undesirable activity by all available means and methods, including implementing effective policies, additional personnel training, and regular collaborative meetings with the security contractor and Director of Parking.

2.10 Self-Parking Contractor. Contractor shall work cooperatively with the self-parking contractor at the Parking Facilities and attend regular meetings as required by the Director of Parking.

2.11 Complaints. If Contractor, the Director of Parking, or the Hotel manager receive any complaints concerning the conduct, demeanor or appearance of any of Contractor's personnel, then Contractor shall promptly investigate and, to the extent commercially reasonable, take remedial action or otherwise correct the condition which gave rise to the complaint. Contractor shall report its findings, remedial actions and corrective measures to the Director of Parking and the Hotel manager in writing.

### **Article 3. Financial Duties**

3.1 Revenue Collection. Contractor shall follow generally accepted accountability controls and shall collect, count and verify all revenue and receipts arising from the Services. Contractor covenants and agrees that all Revenue shall be collected and deposited daily (or, for weekends or holidays, on the next business day) in an account designated by the CFO of Houston First Corporation.

3.2 Capture Rate. Contractor represents, warrants and guarantees that its capture rate for vehicles for each calendar day of the Term shall be no less than [**TBD**]. If HFH conducts an audit, causes an audit to be conducted, or otherwise becomes aware that revenue received is less than such rate, then Contractor shall pay the difference to HFH upon demand, dollar-for-dollar, as liquidated damages and not as a penalty.

3.3 Records. Contractor shall keep, maintain and preserve, in accordance with generally accepted accounting principles, for at least three years following expiration or termination of this Agreement, complete records and accounts of all gross receipts and business transacted including daily bank deposits, all sales slips, parking tickets, cash register tapes, sales books, bank books, or duplicate deposit slips, complete cashier reconciliations and other evidence of gross receipts and business transacted.

3.4 Chargebacks. Contractor is responsible for promptly investigating and analyzing each chargeback arising in connection with the Services and shall make a specific recommendation to HFH in each such instance. Contractor shall use its best efforts to reduce the occurrence of chargebacks.

3.5 Annual Audited Financial Statements. Contractor shall provide HFH, at its sole cost and expense, an annual audited financial statement of all receipts and business activities related to this Agreement, to be conducted by an independent CPA firm selected by Contractor (subject to prior approval by the CFO of Houston First Corporation). No cost related to any such audit shall be reimbursable. The time period covered by the annual audits shall coincide with each Term year (i.e., July 1 through June 30), and the audits shall be submitted to the Chief Financial Officer of Houston First Corporation and the Director of Parking on or before the September 30 following each Term year. Contractor acknowledges and agrees that the obligation to provide such annual financial audit shall survive the expiration or earlier termination of the Agreement.

3.6 No Comingling of Records. Contractor shall not combine or commingle any accounts, records, reports, statements, ledgers, billings, invoices, receipts, collections, or other documents of any nature whatsoever pertaining to HFH or the Parking Facilities with any similar or dissimilar record or document pertaining to any other contract, agreement, account, or understanding to which Contractor is a party.

#### **Article 4. Reporting Requirements**

4.1 Daily Revenue Reports. Each day, no later than noon, Contractor shall prepare and provide a report to the Director of Parking and the Hotel finance director listing all Revenue from the previous calendar day, including all deposits, a complete credit card reconciliation, the capture rate, and such other information as HFH may require.

4.2 Weekly Revenue Reports. Each Monday, no later than noon, Contractor shall prepare and provide a report to the Director of Parking reporting all Revenue and hourly labor fees from the previous calendar week, including all deposits, a complete credit card reconciliation, the capture rate, and such other information as HFH may require.

4.3 Monthly Revenue Reports. Contractor shall prepare and provide a monthly report to the Chief Financial Officer of Houston First Corporation and the Director of Parking noting all Revenue, hourly labor fees, deposits, paid invoices, a complete credit card reconciliation, the capture rate, reimbursable expenses for the immediately-preceding month, and such other information and detail as HFH may require. Contractor represents and warrants to HFH that such reports shall be delivered no later than the **eight (8th) calendar day** of each month during the Term, commencing after the first calendar month of the Term. If Contractor fails to provide such Monthly Revenue Reports by such specified date and also fail to provide supporting documentation to substantiate the delay or obtain the Houston First Corporation Chief Financial Officer's approval to delay such reports, then HFH reserves the right to assess, as liquidated damages as not as a penalty, \$100 per delayed report per business day.

4.4 Revenue Detail. Daily, weekly and monthly Revenue reports shall itemize Revenue by payment method (i.e., cash, check, debit, credit card, validation, or other), and such other information as HFH may require.

4.5 Monthly Chargeback Analysis. Contractor shall include with each Monthly Revenue Report an analysis of any chargebacks by date, name, account, and such other information as HFH may require.

4.6 Incident Reports. Contractor shall immediately report to the Director of Parking and Hotel manager any accident, injury, or near miss occurring during the performance of the Services and provide all reasonable assistance to HFH and the Hotel manager, including their security contractors, in the preparation of a written incident report.

4.7 Contractor Personnel Damage. Damage caused in whole or in part by Contractor, its employees, agents, contractors or subcontractors during the performance of the Services shall be reported promptly by Contractor immediately to the Director of Parking and Hotel manager.

4.8 Parking Facility Damage. If Contractor observes any malfunctioning equipment, graffiti or vandalism at any Parking Facility during the performance of the Services, then Contractor shall report same promptly to the Director of Parking and provide all reasonable assistance in the preparation of a written incident report.

4.9 Personnel Reports. Upon request from the Director of Parking, at any time during the Term, Contractor shall provide a complete and accurate list of the names and positions of all Contractor's employees who are performing Services in connection with this Agreement. HFH may direct that Contractor provide and update such list on an ongoing basis, in its discretion.