



Daniel Lurie, Mayor

Janet Tarlov, Chair
Stephanie Cajina, Vice Chair
Mike Chen, Director
Alfonso Felder, Director

Steve Heminger, Director
Dominica Henderson, Director
Fiona Hinze, Director

Julie Kirschbaum, Director of Transportation

February 10, 2026

**The Honorable Members of the Board of Supervisors
City and County of San Francisco
1 Dr. Carlton Goodlett Place, Room 244
San Francisco, CA 94102**

***Subject: Request for Approval – Contract No. SFMTA-2018-48: Execute 4th Amendment,
Unarmed and Armed Guard Security Services for \$5,911,925***

Honorable Members of the Board of Supervisors:

The San Francisco Municipal Transportation Agency (SFMTA) requests that the San Francisco Board of Supervisors authorize the Director of Transportation to extend Contract No. SFMTA 2018-48: with Universal Protection Service, LP, dba Allied Universal Security Services, for Unarmed and Armed Guard Security Services for SFMTA properties and transit facilities, to extend the term by one year, increase the contract amount by a net amount of \$5,911,925, for a total not to exceed amount of \$64,940,326 and fund the extended term.

BACKGROUND

Allied Universal Security Services operates the SFMTA's Unarmed and Armed guard Security Services under SFMTA Contract No. 2018-48 (Contract), which was awarded in December 2019 through SFMTA Board Resolution No. 191203-151 and Board of Supervisors Resolution No. 99-20. The contract has a three-year base term, valued at \$26,780,268, with three one-year options to extend for a total of six years, with a total not to exceed \$59,028,401.

Through this contract, Allied Universal supports the SFMTA by providing services at over 25 SFMTA transit locations, including all Transit Division, Subway, and Revenue locations. Allied Universal Security Services oversees a network of 3 subcontracted security companies and coordinates all security services citywide. The subcontractors are Marina Security, Treeline Security and Black Bear Security.

Since initial award, the SFMTA has executed several amendments primarily to extend the term of the Contract to ensure continuity of critical security services. Prior amendments did not increase contract funding or materially alter the scope of services. The proposed Fourth Amendment is limited in scope to increase service level requirements at Central Subway Stations, a one-year extension and associated funding adjustments while the SFMTA completes a comprehensive reassessment and re-procurement of the security services program.

The SFMTA exercised the three option periods, and the contract is scheduled to expire in March 2026.

Proposed Contract Extension

The proposed Fourth Amendment would extend the contract term by one year, from April 1, 2026, through March 31, 2027.

The Fourth Amendment reflects gross contract cost increases totaling \$10,913,540, consisting of \$431,655 in Option Year 3 due to increased service levels and \$10,481,884 associated with the addition of one contract year. As part of the negotiations, the SFMTA secured a ten percent reduction in management fees, eliminated contract cost escalations for Non-Collective Bargaining Agreement-related billing rates during the extended term, and applied the existing contract contingency to offset a portion of the gross cost increase.

After application of a portion of the existing five percent contract contingency in the amount of \$2,010,876, and \$2,990,737 underspent of the existing contract, the amendment results in a net contract increase of \$5,911,925 and a revised total not to exceed amount of \$64,940,326.

SFMTA staff is conducting a comprehensive reassessment of the SFMTA's Unarmed and Armed Guard Security Program as part of an agency-wide initiative to identify cost savings in response to current, severe budget constraints. This effort includes meaningful market sounding and development of a revised Request for Proposals (RFP) that reflects cost-saving strategies for long-term sustainability.

On October 16, 2025, the SFMTA issued a Request for Information (RFI) to the vendor community to solicit feedback on opportunities to reduce costs while maintaining service quality. The RFI asked vendors to evaluate the impact of various operational and cost management elements, including the use of emerging technology. To ensure uninterrupted delivery of critical security services while the cost-reduction redesign of the program is completed, staff recommends extending the current contract by one year.

The SFMTA also negotiated a reduction in management fees by 10 percent for the extended term, increased service levels due to additional guard patrol requirements at Central Subway platforms, the elimination of contract cost escalations for the remaining term, and the use of the contract contingency to offset the cost of the contract extension. The Parties agreed to apply most of the existing contract contingency amount of \$2,810,876 to offset the costs associated with this extension, while retaining \$800,000 in contingency for the extended term. The party also agreed to apply \$2,990,737 in underutilized contract funds from fiscal years 21-23 due to reduced service levels caused by the COVID-19 pandemic. With these offsets, the final next contract increased amounts to \$5,911,925, resulting in a modified contract not-to-exceed amount of \$64,940,326.

Pursuant to Charter Section 9.118, Board of Supervisors approval is required because the proposed amendment increases the contract amount by more than \$500,000.

ALTERNATIVES CONSIDERED

Staff considered the following alternatives:

1. Allow the contract to lapse at the current funding cap

This alternative would end all security services provided under the current contract once available funds are exhausted. It is not viable. Security operations are essential for public and employee safety. Disruptions to service would create immediate public safety risks, degrade morale, and hinder SFMTA progress on customer satisfaction.

2. Reprocure the contract immediately based on the existing scope of services

Staff considered issuing a new RFP under the current scope of services, without completing a cost-reduction analysis. However, this would likely result in higher long-term costs. The current scope reflects security needs of the past that may be unsustainable under current budget constraints. Proceeding with an immediate RFP would also risk excluding smaller or more cost-efficient vendors that need time to prepare. Moreover, issuing an RFP before finalizing the redesign of the program would jeopardize the opportunity to fully implement findings from the vendor feedback gathered through the RFI process.

STAKEHOLDER ENGAGEMENT

Security program staff communicate regularly with various stakeholders, including SFMTA staff in the Security Operations Center (SOC), SFMTA Employees and Customer Service groups, as well as staff at SFPD. Stakeholder input has informed security coverage decisions over time, including staffing levels and patrol requirements at high-use locations and new facilities such as Central Subway stations.

For example, based on stakeholder feedback, the SFMTA has established various coverages in response to feedback received from various stakeholders. These and other program refinements have been incorporated into the contract scope of work included within the proposed RFP to ensure a new contract builds upon the success of the current contract.

Moreover, as detailed above, staff issued a Request for Information (RFI) to the vendor community seeking input on the current security-program scope of services. The goal of the RFI process is to work collaboratively with the potential vendor community to develop a retooled scope of services that maintains a high level of program service while also reducing program expenses. Feedback from stakeholders and the RFI process is being used to inform the proposed contract extension and the development of a future competitive procurement.

FUNDING IMPACT

The projected contract expenditures for the proposed Fourth Amendment to the Agreement are shown in the table below. As a result of the negotiated changes, total contract costs will increase by \$10,913,540, consisting of an increase of \$431,655 in Option Year 3 due to increased service levels and \$10,481,884 associated with the addition of one contract year. Funding to support the additionally requested contract authority is available within the adopted annual operating budgets for FY26.

Contract costs	FY 2026
	\$10.91 million

SFMTA BOARD ACTION

On February 17th, 2026, The SFMTA Board of Directors is scheduled to act on Contract No. SFMTA-2018-48, by authorizing the Director of Transportation to execute Contract No. SFMTA-2018-48: Universal Protection Service, LP, dba Allied Universal Security Services, for Unarmed and Armed Guard Security Services for its properties and transit facilities, to extend the term by one year, increase the contract amount by a net amount of \$5,911,925, for a total not to exceed \$64,940,326.

REQUEST FOR APPROVAL

The SFMTA respectfully requests that the Board of Supervisors authorize the Director of Transportation to execute the Fourth Amendment to SFMTA Contract No. 2018-48 with Universal Protection Service, LP, dba Allied Universal Security Services, for Unarmed and Armed Guard Security Services for its properties and transit facilities, to extend the term by one year, increase the contract amount by a net amount of \$5,911,925, for a total not to exceed \$64,940,326, and fund the extended term, subject to approval by the Board of Supervisors under Charter Section 9.118; and recommend that the Board of Supervisors approve the Fourth Amendment pursuant to that authority.

Sincerely,



Julie Kirschbaum
Director of Transportation