

File No. 200090

Committee Item No. 4

Board Item No. 21

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date February 26, 2020

Board of Supervisors Meeting

Date March 3, 2020

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Contract/Agreement                           |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

OTHER (Use back side if additional space is needed)

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>CEQA Determination</u>                  |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>SFMTA Board of Directors Resolution</u> |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <u>PowerPoint Presentation</u>             |
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Completed by: Linda Wong

Date February 21, 2020

Completed by: Linda Wong

Date February 27, 2020

FILE NO. 200090

RESOLUTION NO.

1 [Contract Agreement - Universal Protection Service, LP, dba Allied Universal Security  
2 Services - Armed and Unarmed Security Guard Services - Not to Exceed \$59,028,401]

3 **Resolution approving San Francisco Municipal Transportation Agency (SFMTA)**  
4 **Contract No. 2018-48 for armed and unarmed security guard services with Universal**  
5 **Protection Service, LP, dba Allied Universal Security Services, in an amount not to**  
6 **exceed \$28,119,281 for an initial three-year term to commence on the effective date**  
7 **following Board approval, and for an amount not to exceed \$59,028,401 should the**  
8 **Director of Transportation, in their discretion, elect to exercise all three one-year**  
9 **options to extend the Contract; and affirming the SFMTA determination under the**  
10 **California Environmental Quality Act.**

11  
12 WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) has  
13 facilities throughout the City (including transit stations, vehicle storage yards and service  
14 centers) and collects more than \$61 million in cash and an additional \$169 million in annual  
15 revenue from transit fares, citation payments, and the sale of various fare media; and

16 WHEREAS, Armed and unarmed security guard services are needed to act as a first  
17 deterrent for inappropriate activity, ensure the safety of SFMTA personnel, protect SFMTA  
18 property and the public, and guard against vandalism; and

19 WHEREAS, With the current security guard services agreement with Cypress Security  
20 due to expire on March 31, 2020, the SFMTA issued a Request for Proposals (RFP) on  
21 October 17, 2018; and

22 WHEREAS, Four firms responded to the RFP on December 7, 2018, and the  
23 evaluation committee ranked Cypress Security as the highest responsive and responsible  
24 proposer; and

1           WHEREAS, On June 5, 2019, Cypress notified the SFMTA that Universal Protection  
2 Service, LP, dba Allied Universal Security Services (Allied Universal) intended to purchase all  
3 of the assets of Cypress and that all Cypress employees assigned to work on the proposed  
4 Contract with SFMTA would become Allied Universal employees; and

5           WHEREAS, Allied Universal sought approval of the acquisition of Cypress from the  
6 SFMTA, and submitted written confirmation that it would honor all services, pricing and local  
7 business enterprise firm submissions as stated in the Cypress proposal, as well as the terms  
8 of the existing collective bargaining agreement and prevailing wage and employee retention  
9 requirements per Administrative Code, Sections 21.C.7 and 21.C.11C, for security guard  
10 services; and

11           WHEREAS, To effectuate the assignment, the SFMTA, Cypress, and Allied Universal  
12 executed a Novation Agreement; and

13           WHEREAS, The proposed Contract contains approximately 200,000 hours of unarmed  
14 guard services annually and will eventually increase to 215,000 hours to support the  
15 operations of the Central Subway; and

16           WHEREAS, Services under the proposed Contract also include on- and off-site  
17 management as required to plan, schedule, perform, and manage security personnel  
18 deployments; maintain appropriate staffing levels, submit reports, attend meetings, and  
19 provide uniforms and equipment; and

20           WHEREAS, The SFMTA's Contract Compliance Office determined that Allied Universal  
21 will comply with the 20% Local Business Enterprise (LBE) goal in the new Contract; and

22           WHEREAS, Under Charter, Section 10.104.15, the Controller, biannually with  
23 submission of the budget, has certified, and the Board of Supervisors has approved, that  
24 security services can practically be performed by a private contractor at a lower cost than if  
25 similar work were performed by City employees; and

1           WHEREAS, The SFMTA, under authority delegated by the Planning Department,  
2 determined that Security Guard Services Agreement is not a "project" under the California  
3 Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations,  
4 Sections 15060(c) and 15378; said determination is on file with the Clerk of the Board of  
5 Supervisors in File No. 200090 and is incorporated herein by reference; and

6           WHEREAS, On December 3, 2019, the SFMTA Board of Directors adopted Resolution  
7 No. 191203-151, authorizing the Director of Transportation to execute SFMTA Contract No.  
8 2018-48 Armed and Unarmed Security Guard Services with Universal Protection Service, LP,  
9 dba Allied Universal Security Services, in an amount not to exceed \$59,028,401 for a three-  
10 year term, with three options to extend the Contract for one year each at the discretion of the  
11 Director of Transportation; and recommending that the Board of Supervisors similarly approve  
12 said Contract; and

13           WHEREAS, Charter Section 9.118 provides that expenditure contracts in the amount of  
14 10 million dollars or more are subject to approval by the Board of Supervisors by resolution;  
15 and

16           WHEREAS, The pending Agreement is on file with the Clerk of the Board of  
17 Supervisors in File No. 20-0090; now, therefore, be it

18           RESOLVED, That the Board of Supervisors authorize the Director of Transportation of  
19 the SFMTA to execute Contract No. 2018-48 for Armed and Unarmed Security Guard  
20 Services with Universal Protection Service, LP, dba Allied Universal Security Services, in an  
21 amount not to exceed \$28,119,281 for an initial three-year term to commence on the effective  
22 date following Board approval, and for an amount not to exceed \$59,028,401 should the  
23 Director of Transportation, in his or her discretion, elect to exercise all three one-year options  
24 to extend the Contract; and, be it  
25

1 FURTHER RESOLVED, That this Board affirms the SFMTA's determination that  
2 Security Guard Services Agreement is not a "project" under CEQA, pursuant to Title 14 of the  
3 California Code of Regulations, Sections 15060(c) and 15378; and, be it

4 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
5 Transportation of the SFMTA to enter into any amendments or modifications to the Agreement  
6 that the Director of Transportation determines, in consultation with the City Attorney, are in the  
7 best interest of the City, do not increase the obligations or liabilities of the City, are necessary  
8 or advisable to effectuate the purposes of the Agreement or this Resolution, and are in  
9 compliance of all applicable laws, including the City's Charter; and, be it

10 FURTHER RESOLVED, That within 30 days of the Agreement being fully executed by  
11 all parties, the Director of Transportation of the SFMTA shall provide the final agreement to  
12 the Clerk of the Board for inclusion into the official file.

13 n:\ptc\as2019\1000460\01412856.docx

<b>Item 4</b> <b>File 20-0090</b>	<b>Department:</b> Municipal Transportation Agency (MTA)
<b>EXECUTIVE SUMMARY</b>	
<b>Legislative Objectives</b>	
<ul style="list-style-type: none"> <li>• The proposed resolution would approve San Francisco Municipal Transportation Agency's (SFMTA) contract for armed and unarmed security guard services with Universal Protection Service, LP, dba Allied Universal Security Services, for a term of three years, with three one-year options to extend, at a total amount over the six-year term not to exceed \$59,028,401. The proposed resolution would also affirm SFMTA's determination that the contract is not a "project" under the California Environmental Quality Act (CEQA).</li> </ul>	
<b>Key Points</b>	
<ul style="list-style-type: none"> <li>• SFMTA utilizes contracted armed and unarmed security guards at SFMTA facilities. Most locations use unarmed security guards, but armed security guards are used for pass sale locations, the ballpark detail, fare collection, and vending machine collections. SFMTA estimates that approximately 204,000 hours of unarmed security and 29,000 hours of armed security would be needed annually. However, the unarmed service is expected to increase to approximately 215,000 hours to support the operations of the Central Subway.</li> <li>• SFMTA's current agreement with Cypress Private Security for these services expires on March 31, 2020. SFMTA selected Allied Universal (which purchased Cypress Private Security) following a Request for Proposals (RFP) process. The proposed contract would be for an initial three-year term through April 2023, with three one-year options to extend at the discretion of the SFMTA Director.</li> </ul>	
<b>Fiscal Impact</b>	
<ul style="list-style-type: none"> <li>• The total contract not-to-exceed amount is \$59,028,401 over the total six-year term, including the initial three-year term and the three one-year extension options. Sufficient funding for the first two years of the contract is included in the Department's proposed FY 2020-22 two-year budgets.</li> </ul>	
<b>Recommendations</b>	
<ul style="list-style-type: none"> <li>• Amend the proposed resolution to clarify that the contract not-to-exceed amount is \$28,119,281 for the initial three-year term, with a total not to exceed \$59,028,401 if the three one-year options to extend are exercised.</li> <li>• Approve the proposed resolution, as amended.</li> </ul>	

**MANDATE STATEMENT**

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

**BACKGROUND**

City Charter Section 10.104.15 states that the City may contract for positions if, on an annual basis, such positions are determined by the Controller and approved by the Board of Supervisors to be less expensive than City employees. The San Francisco Municipal Transportation Agency (SFMTA) utilizes contracted armed and unarmed security guards at SFMTA facilities. SFMTA's current agreement with Cypress Private Security for these services expires on March 31, 2020.

In October 2018, the SFMTA Board of Directors approved the issuance of a Request for Proposals (RFP) to select a new security service provider. In December 2018, SFMTA received four proposals, and a selection panel scored them as shown in Table 1 below.<sup>1</sup>

**Table 1: Proposers and Scores from RFP**

Proposer	Score
Cypress Private Security	114.75
Allied Universal	111.43
National Security Industries & Services	82.94
American Guard Services	60.23

Cypress Private Security, the existing security provider, was deemed the highest scoring responsive and responsible proposer. In June 2019, as negotiations were in progress, Cypress notified SFMTA that Allied Universal was purchasing all of Cypress's assets and that Cypress employees would become Allied Universal employees. In December 2019, the SFMTA Board approved a contract with Allied Universal.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would approve a contract between SFMTA and Universal Protection Service, LP, dba Allied Universal Security Services, for a term of three years, from April 2020 to April 2023, with three one-year options to extend the term, at a total amount not to exceed \$59,028,401. The proposed resolution allows the SFMTA Director to exercise each of the three contract extensions without further Board of Supervisors' approval.

<sup>1</sup> The members of the selection panel were the SFMTA Manager of the Transit Management Center, the SFMTA Manager of Revenue Operations and Collection, the San Francisco Police Department (SFPD) Lieutenant of the SFMTA Detail, and the SFPD Sergeant of the SFMTA K9 unit.

To comply with a 20 percent Local Business Enterprise requirement, the proposed contract allows for subcontracting with the following three firms: (1) Black Bear Security Services, Inc.; (2) Marina Security Services, Inc.; and (3) Treeline Security, Inc.

Under the proposed contract, Allied Universal would provide: (1) site management of SFMTA properties; (2) plan schedule, perform, and manage all security personnel deployments; (3) protection for SFMTA staff responsible for handling cash; (4) incident reports, annual reports, and daily activity logs for security staff; (5) supplying all required uniforms and equipment;<sup>2</sup> (6) proof of at least 24 hours of annual training for all security staff, who must have Security Guard Licenses issued by the State; and (7) payment of prevailing wages and employee retention for the prior contractor's employees. The proposed contract specifies staffing schedules, including shifts and posts, for security staff.

Most locations would use unarmed security guards, but armed security guards would be used for pass sale locations, the ballpark detail, fare collection, and vending machine collections. SFMTA estimates that approximately 204,000 hours of unarmed security and 29,000 hours of armed security would be needed annually. However, the unarmed service is expected to increase to approximately 215,000 hours to support the operations of the Central Subway. This increase of 9,048 hours is reflected below in the increase in Mobile Patrol hours between years 1 and 2 of the proposed contract. Total estimated annual hours by position are shown in Table 2 below.

**Table 2: Estimated Annual Hours by Position**

Position	Year 1	Year 2	Year 3	Option Year 1	Option Year 2	Option Year 3	Total
Unarmed Officer	126,860	126,860	126,860	126,860	126,860	126,860	761,160
Video Surveillance	30,836	30,836	30,836	30,836	30,836	30,836	185,016
Security Console	8,736	8,736	8,736	8,736	8,736	8,736	52,416
Mobile Patrol	29,536	38,584	41,600	41,600	41,600	41,600	234,520
Armed Officer	28,756	28,756	28,756	28,756	28,756	28,756	172,536
ADA Observer	4,368	4,368	4,368	4,368	4,368	4,368	26,208
Badging Clerk <sup>3</sup>	2,080	2,080	2,080	2,080	2,080	2,080	12,480
Armed Supervisor	2,080	2,080	2,080	2,080	2,080	2,080	12,480
<b>Total</b>	<b>233,252</b>	<b>242,300</b>	<b>245,316</b>	<b>245,316</b>	<b>245,316</b>	<b>245,316</b>	<b>1,456,816</b>

Source: Appendix B of Proposed Contract

According to Mr. Steven Lee, SFMTA Finance and Technology Division Senior Manager, Allied Universal is projected to provide approximately 187,076 hours of staffing in the final year of its current contract. As shown above, year 1 of the proposed contract would increase service levels by 46,176 hours or 24.7 percent relative to the current security staffing levels. According to Mr.

<sup>2</sup> Equipment includes flashlights, handcuffs, batons, whistles, semi-automatic pistols (armed staff only), chemical agents, body armor, vehicles, and cell phones.

<sup>3</sup> According to Ms. Kimberly Burrus, SFMTA Chief Security Officer, the Badging Clerk provides employee ID badges for every employee. Based on a manager's authorization, the Badging Clerk assigns the granted access to the employee's badge. The Badging Clerk also deactivates badges upon separation from the agency.

Lee, the additional needed hours were determined by an assessment of various SFMTA locations.<sup>4</sup>

The proposed resolution would also affirm SFMTA's determine that the contract is not a "project" under the California Environmental Quality Act (CEQA).

**FISCAL IMPACT**

The proposed contract would have an amount not to exceed \$28,119,281 for the initial three-year term. If SFMTA exercises the three options to extend, the total not-to-exceed amount would be \$59,028,401. As noted above, the proposed resolution allows SFMTA to exercise each contract extension without further Board of Supervisors' approval. The estimated annual cost by position is shown in Table 3 below.

**Table 3: Estimated Annual Contract Expenditures by Position**

Position	Year 1	Year 2	Year 3	Option Year 1	Option Year 2	Option Year 3	Total
Unarmed Officer	\$4,485,688	\$4,583,686	\$4,708,417	\$4,832,485	\$4,956,717	\$5,078,941	\$28,645,934
Video Surveillance	1,131,274	1,154,941	1,185,105	1,215,108	1,245,151	1,274,981	7,206,560
Security Console	320,496	327,201	335,746	344,246	352,758	361,209	2,041,656
Mobile Patrol	1,083,582	1,445,876	1,598,793	1,639,269	1,679,799	1,720,042	9,167,360
Armed Officer	1,123,676	1,145,487	1,173,358	1,201,078	1,228,836	1,256,856	7,129,290
ADA Observer	148,651	152,047	156,364	160,658	164,957	169,148	951,826
Badging Clerk	83,211	84,782	86,790	88,788	90,789	92,821	527,181
Armed Supervisor	86,663	88,220	90,216	92,201	94,188	96,231	547,718
Labor	\$8,463,241	\$8,982,238	\$9,334,789	\$9,573,833	\$9,813,194	\$10,050,229	\$56,217,525
Subtotal							
Contingency (5%)	423,162	449,112	466,739	478,692	490,660	502,511	2,810,876
Total	\$8,886,403	\$9,431,350	\$9,801,528	\$10,052,525	\$10,303,854	\$10,552,740	\$59,028,400

Source: Appendix B of Proposed Contract

<sup>4</sup>The additional hours are as follows: 4,160 in Flynn Division, 2,080 in Muni Metro East South Gate, 12,480 in Subway Patrol, 2,080 in Subway Patrol Gap, 2,080 in Green Division, 4,160 in Potrero Division Lower, 5,824 in Presidio Division, 4,160 in Woods Division, 2,912 in 1301 Marin St. Islais Creek, 2,080 in Kirkland Division, and 4,160 in the Video Surveillance Program.

Sufficient funding for the first two years of the contract is included in SFMTA's proposed FY 2020-22 two-year budgets, pending SFMTA Board of Directors, Mayor's Office, and Board of Supervisors approval.<sup>5</sup>

According to Mr. Lee, the five percent contingency is necessary given the size and complexity of the system, the potential for the need to address unforeseeable emergencies, and to be able to adjust services, if necessary, over the term of the agreement.

The proposed resolution, as written, implies that the total not-to-exceed amount for the initial three-year term is \$59,028,401. The Budget and Legislative Analyst recommends amending the resolution to clarify that the not-to-exceed amount for the initial three-year term is \$28,119,281, with a total not to exceed \$59,028,401 if the three one-year options to extend are exercised.

### RECOMMENDATIONS

1. Amend the proposed resolution to clarify that the contract not-to-exceed amount is \$28,119,281 for the initial three-year term, with a total not to exceed \$59,028,401 if the three one-year options to extend are exercised.
2. Approve the proposed resolution, as amended.

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<sup>5</sup> Under City Charter Section 8A.106, the SFMTA budget must be approved by the SFMTA Board of Directors and the Mayor, who then forwards the budget to the Board of Supervisors. The Board of Supervisors cannot change SFMTA'S proposed budgets but may reject them with a minimum of seven votes, however in doing so it must approve an interim budget sufficient for the Agency to fund all of its operations.

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

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

**Universal Protection Service, LP,  
dba Allied Universal Security Services**

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

**Agreement between the City and County of San Francisco and  
Universal Protection Service, LP, dba Allied Universal Security Services  
Contract No. SFMTA-2018-48**

This Agreement is made as of \_\_\_\_\_, in the City and County of San Francisco (City), State of California, by and between Universal Protection Service, LP, dba Allied Universal Security Services (Contractor), and the City and County of San Francisco (City), a municipal corporation, acting by and through its Municipal Transportation Agency (SFMTA).

**Recitals**

- A. The SFMTA wishes to contract for security services for its properties and transit facilities.
- B. This Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through a Request for Proposals (RFP) issued on October 17, 2018, pursuant to which City selected Contractor as the highest-qualified scorer.
- C. The Local Business Entity (LBE) subcontracting participation requirement for this Agreement is 20 percent.
- D. Contractor represents and warrants that it is qualified to perform the Services required by City as set forth under this Agreement.
- E. Under Charter Section 10.104.15, the Controller has certified, and the Board of Supervisors has approved, that security services can practically be performed by a private contractor at a lower cost than if similar work were performed by City employees.

Now, THEREFORE, the parties agree as follows:

**Article 1      Definitions**

The following definitions apply to this Agreement:

- 1.1      “**Agreement**” or “**Contract**” means this contract document, including all attached appendices, any future amendments, and all applicable City Ordinances and Mandatory City Requirements specifically incorporated into this Agreement by reference as provided herein.
- 1.2      “**CCO**” means the SFMTA Contract Compliance Office.

1.3 “City” or “the City” means the City and County of San Francisco, a municipal corporation, acting by and through its Municipal Transportation Agency.

1.4 “City Data” or “Data” means all data given to Contractor by City in the performance of this Agreement.

1.5 “CMD” means the Contract Monitoring Division of the City.

1.6 “Confidential Information” means confidential City information including, but not limited to, personally-identifiable information (PII), protected health information (PHI), or individual financial information (collectively, "Proprietary or Confidential Information") that is subject to local, state or federal laws restricting the use and disclosure of such information, including, but not limited to, Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code § 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code § 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. §§ 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of part 164); and San Francisco Administrative Code Chapter 12M (Chapter 12M).

1.7 “Contract Administrator” means the contract administrator assigned to the Contract by the SFMTA, or his or her designated agent.

1.8 “Contractor” or “Consultant” means Universal Protection Services, LP, dba Allied Universal Security Services, 545 Sansome Street, 6<sup>th</sup> Floor, San Francisco, CA 94111.

1.9 “C&P” means SFMTA Contracts and Procurement.

1.10 “Day” (whether or not capitalized) means a calendar day, unless otherwise designated.

1.11 “Deliverables” means Contractor’s work product resulting from the Services provided by Contractor to City during the course of Contractor’s performance of the Agreement, including without limitation, the work product described in the “Scope of Services” attached as Appendix A.

1.12 “Director” means the Director of Transportation of the SFMTA or his or her designee.

1.13 “Effective Date” means the date on which the City’s Controller certifies the availability of funds for this Agreement as provided in Section 3.1.

1.14 “Mandatory City Requirements” means those City laws set forth in the San Francisco Municipal Code that impose specific duties and obligations upon Contractor, including the duly authorized rules, regulations, and guidelines implementing such laws.

1.15 “Party” and “Parties” mean the City and Contractor either collectively or individually.

1.16 “Project Manager” means the project manager assigned to the Contract for the SFMTA, or his or her designated agent.

1.17 “Purchase Order” means the written order issued by the City to the Contractor, authorizing the Effective Date as provided in Section 2.1.

1.18 “San Francisco Municipal Transportation Agency” or “SFMTA” means the agency of City with jurisdiction over surface transportation in San Francisco, as provided under Article VIII A of the City’s Charter.

1.19 “Services” means the work performed by Contractor under this Agreement as specifically described in the “Scope of Services” attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.

## Article 2 Term of the Agreement

2.1 The term of this Agreement shall commence on the Effective Date and expire three years from the Effective Date, unless earlier terminated as otherwise provided herein.

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

## Article 3 Financial Matters

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

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

3.2 **Guaranteed Maximum Costs.** The City’s payment obligation to Contractor cannot at any time exceed the amount certified by City’s Controller for the purpose and period stated in such certification. Absent an authorized Emergency per the City Charter or applicable

Code, no City representative is authorized to offer or promise, nor is the City required to honor, any offered or promised payments to Contractor under this Agreement in excess of the certified maximum amount without the Controller having first certified the additional promised amount and the Parties having modified this Agreement as provided in Section 11.5 (Modification of this Agreement).

### 3.3 Compensation

#### 3.3.1 Payment and Rate Adjustments

(a) **Payment.** Contractor shall provide an invoice to the SFMTA on a monthly basis for Services completed in the immediately preceding month, unless a different schedule is set out in Appendix B (Calculation of Charges). Compensation shall be made for Services identified in the invoice that the Director of Transportation, or his or her designee, in his or her sole discretion, concludes have been satisfactorily performed. Payment shall be made within 30 Days of receipt of the invoice, unless the City notifies the Contractor that a dispute as to the invoice exists. In no event shall the amount of this Agreement exceed **Fifty-Nine Million, Twenty-Eight Thousand, Four Hundred One Dollars (\$59,028,401)**. The breakdown of charges associated with this Agreement appears in Appendix B. In no event shall City be liable for interest or late charges for any late payments.

(b) **Rate Adjustments.** The current collective bargaining agreement (CBA) governing the City locations subject to this Agreement expires on June 30, 2021. Contractor's Billing Rates (as set forth in Exhibit B) include estimated increases in the cost of medical, welfare and other benefit costs (CBA Costs) under future CBAs, which have yet to be negotiated for the portion of the term after June 30, 2021. From time to time and as soon as reasonably practicable, either Party may submit a written notice to the other Party requesting to discuss and negotiate a possible adjustment in the Billing Rates to the extent actual increases or decreases in CBA Costs exceed or are lower than the estimated CBA Costs included in the Billing Rates (Rate Adjustment Request or Request). A Rate Adjustment Request may relate to a time period prior to the date of the Rate Adjustment Request in the event execution of a new CBA is delayed beyond the expiration date of the predecessor CBA. A Party shall include with its Rate Adjustment Request a written explanation of the reasons and calculations supporting the Billing Rate adjustment. As part of its Request, Contractor shall provide satisfactory written evidence that any proposed Bill Rate increase does not include costs other than CBA Costs and that any such CBA cost increases have not already been factored into the Billing Rates. Within five business days of the Request, the parties shall undertake genuine and good faith negotiations regarding the Request with a view to reaching a mutually acceptable resolution of the issue. Failure to agree shall trigger the dispute resolution procedure in Section 11.6.1.

**3.3.2 Payment Limited to Satisfactory Services.** Contractor is not entitled to any payments from City until the SFMTA approves Services, including any furnished Deliverables, as satisfying all of the requirements of this Agreement. Payments to Contractor by City shall not excuse Contractor from its obligation to replace unsatisfactory Deliverables,

including equipment, components, materials, or Services even if the unsatisfactory character of such Deliverables, equipment, components, materials, or Services may not have been apparent or detected at the time such payment was made. Deliverables, equipment, components, materials and Services that do not conform to the requirements of this Agreement may be rejected by City and in such case must be replaced by Contractor without delay at no cost to the City.

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

**3.3.4 Invoice Format.** Invoices furnished by Contractor under this Agreement must be in a form acceptable to the City's Controller and the SFMTA, and must include a unique invoice number. City will make payment as specified in Section 3.3.6, or in such alternate manner as the Parties have mutually agreed upon in writing.

**3.3.5 LBE Payment and Compliance Tracking Form.** Contractor must submit Form 7: CMD Progress Payment Form with each invoice to enable CCO to monitor Contractor's compliance with the LBE subcontracting commitments in this Agreement. Contractor shall pay its LBE subcontractors within three working days after receiving payment from the SFMTA, except as otherwise authorized by the LBE Ordinance. Following the SFMTA's payment of an invoice, Contractor shall submit, electronically, satisfactory evidence that it has promptly paid subcontractors for the work they have performed via the B2GNow System (<https://sfmta.diversitycompliance.com/>). The City's Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of all required LBE payment information. Failure to submit all required LBE payment information may result in the Controller or the SFMTA withholding 20% of the payment due under that invoice until the required payment information is provided.

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

(a) All City vendors receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments through the City's Automated Clearing House (ACH) payments service/provider. Electronic payments are processed every business day and are safe and secure. To sign up for electronic payments, visit [www.sfgov.org/ach](http://www.sfgov.org/ach).

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

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

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

**3.6 Payment of Prevailing Wages.**

**3.6.1 Covered Services.** Services to be performed by Contractor under this Agreement may involve the performance of trade work covered by the provisions of Section 6.22(e) [Prevailing Wages] or Section 21C [Miscellaneous Prevailing Wage Requirements] of the Administrative Code (collectively, "Covered Services"): The provisions of Section 6.22(e) and 21C of the Administrative Code are incorporated as provisions of this Agreement as if fully set forth herein and will apply to any Covered Services performed by Contractor and its subcontractors. Contractor shall specifically refer to Administrative Code Section 21C.11 (Prevailing Rate of Wages for Security Guard Services in City Contracts and for Events on City Property).

[http://library.amlegal.com/nxt/gateway.dll?f=templates&fn=default.htm&vid=amlegal:sanfrancisco\\_ca](http://library.amlegal.com/nxt/gateway.dll?f=templates&fn=default.htm&vid=amlegal:sanfrancisco_ca)

**3.6.2 Wage Rates.** The latest prevailing wage rates for private employment on public contracts as determined by the San Francisco Board of Supervisors and the Director of the California Department of Industrial Relations, as such prevailing wage rates may be changed

during the term of this Agreement, are incorporated as provisions of this Agreement. Copies of the prevailing wage rates as fixed and determined by the Board of Supervisors are available from the Office of Labor Standards and Enforcement (OLSE) and on the Internet at <http://www.dir.ca.gov/DLSR/PWD> and <https://sfgov.org/olse/prevailing-wage-non-construction>. Contractor agrees that it shall pay not less than the prevailing wage rates, as fixed and determined by the Board, to all workers employed by Contractor who perform Covered Services under this Agreement.

**3.6.3 Subcontract Requirements.** As required by Section 6.22(e)(5) of the Administrative Code, Contractor shall insert in every subcontract or other arrangement that it may make for the performance of Covered Services under this Agreement, a provision that said subcontractor shall pay to all persons performing labor in connection with Covered Services under said subcontract or other arrangement not less than the highest general prevailing rate of wages as fixed and determined by the Board of Supervisors for such labor or services.

**3.6.4 Posted Notices.** As required by Section 1771.4 of the California Labor Code, Contractor shall post job site notices prescribed by the California Department of Industrial Relations (DIR) at all job sites where services covered by Chapter 6.22 are to be performed.

**3.6.5 Payroll Records.** As required by Section 6.22(e)(6) of the Administrative Code and Section 1776 of the California Labor Code, Contractor shall keep or cause to be kept complete and accurate payroll records for all trade workers performing Covered Services. Such records shall include the name, address and social security number of each worker who provided Covered Services on the project, including apprentices, his or her classification, a general description of the services each worker performed each day, the rate of pay (including rates of contributions for, or costs assumed to provide fringe benefits), daily and weekly number of hours worked, deductions made and actual wages paid. Every subcontractor who shall undertake the performance of any part of Covered Services shall keep a like record of each person engaged in the execution of Covered Services under the subcontract. All such records shall at all times be available for inspection of and examination by the City and its authorized representatives and the DIR.

**3.6.6 Certified Payrolls.** Certified payrolls shall be prepared pursuant to Administrative Code Section 6.22(e)(6) and California Labor Code Section 1776 for the period involved for all employees, including those of subcontractors, who performed labor in connection with Covered Services. Contractor and each subcontractor performing Covered Services shall submit certified payrolls to the City and to the DIR electronically. Contractor shall submit payrolls to the City via the reporting system selected by the City. The DIR will specify how to submit certified payrolls to it. The City will provide basic training in the use of the reporting system at a scheduled training session. Contractor and all subcontractors that will perform Covered Services must attend the training session. Contractor and applicable subcontractors shall comply with electronic certified payroll requirements (including training) at no additional cost to the City.

**3.6.7 Compliance Monitoring.** Covered Services to be performed under this Agreement are subject to compliance monitoring and enforcement of prevailing wage requirements by the DIR and /or the OLSE. Contractor and any subcontractors performing Covered Services will cooperate fully with the DIR and/or the OLSE and other City employees and agents authorized to assist in the administration and enforcement of the prevailing wage requirements, and agrees to take the specific steps and actions as required by Section 6.22(e)(7) of the Administrative Code. Steps and actions include but are not limited to requirements that: (i) the Contractor will cooperate fully with the Labor Standards Enforcement Officer and other City employees and agents authorized to assist in the administration and enforcement of the Prevailing Wage requirements and other labor standards imposed on Public Works Contractor by the Charter and Chapter 6 of the San Francisco Administrative Code; (ii) the Contractor agrees that the Labor Standards Enforcement Officer and his or her designees, in the performance of their duties, shall have the right to engage in random inspections of job sites and to have access to the employees of the Contractor, employee time sheets, inspection logs, payroll records and employee paychecks; (iii) the contractor shall maintain a sign-in and sign-out sheet showing which employees are present on the job site; (iv) the Contractor shall prominently post at each job-site a sign informing employees that the project is subject to the City's Prevailing Wage requirements and that these requirements are enforced by the Labor Standards Enforcement Officer; and (v) that the Labor Standards Enforcement Officer may audit such records of the Contractor as he or she reasonably deems necessary to determine compliance with the Prevailing Wage and other labor standards imposed by the Charter and this Chapter on Public Works Contractors. Failure to comply with these requirements may result in penalties and forfeitures consistent with analogous provisions of the California Labor Code, including Section 1776(g), as amended from time to time.

**3.6.8 Remedies.** Should Contractor, or any subcontractor who shall undertake the performance of any Covered Services, fail or neglect to pay to the persons who perform Covered Services under this Contract, subcontract or other arrangement for the Covered Services, the general prevailing rate of wages as herein specified, Contractor shall forfeit, and in the case of any subcontractor so failing or neglecting to pay said wage, Contractor and the subcontractor shall jointly and severally forfeit, back wages due plus the penalties set forth in Administrative Code Section 6.22 (e) and/or California Labor Code Section 1775. The City, when certifying any payment which may become due under the terms of this Agreement, shall deduct from the amount that would otherwise be due on such payment the amount of said forfeiture.

#### **Article 4 Services and Resources**

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

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

**4.3 Subcontracting.**

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

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

- Black Bear Security Services, Inc.
- Marina Security Services, Inc.
- Treeline Security, Inc.

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

**4.4.1 Independent Contractor.** For the purposes of this Article 4, "Contractor" shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor acknowledges and agrees that at all times, Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the

means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing in accordance with the requirements of this Agreement, City shall provide Contractor with written notice of such failure. Within five business days of Contractor's receipt of such notice, and in accordance with Contractor policy and procedure, Contractor shall remedy the deficiency. Notwithstanding, if City believes that an action of Contractor, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

**4.4.2. Payment of Employment Taxes and Other Expenses.** Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to this Section 4.4 shall be solely limited to the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from this section.

**4.5 Assignment.** The Services to be performed by Contractor are personal in character. Neither this Agreement, nor any duties or obligations hereunder, may be directly or indirectly assigned, novated, hypothecated, transferred, or delegated by Contractor, or, where the Contractor is a joint venture, a joint venture partner, (collectively referred to as an "Assignment") unless first approved by City by written instrument executed and approved as required under City law and under the policy of the SFMTA Board of Directors. The City's approval of any such Assignment is subject to the Contractor demonstrating to City's reasonable satisfaction that the proposed transferee is: (a) reputable and capable, financially and otherwise, of performing each of Contractor's obligations under this Agreement and any other documents to be assigned, (b) not forbidden by applicable law from transacting business or entering into contracts with City; and (c) subject to the jurisdiction of the courts of the State of California. A change of ownership or control of Contractor or a sale or transfer of substantially all of the assets

of Contractor shall be deemed an Assignment for purposes of this Agreement. Contractor shall immediately notify City about any Assignment. Any purported Assignment made in violation of this provision shall be null and void.

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

**4.7 Liquidated Damages.**

**4.7.1** By entering into this Agreement, Contractor agrees that its failure to perform certain obligations under this Agreement during the respective time limits imposed will cause the SFMTA to incur cost and inconvenience not contemplated under this Agreement, which cost and inconvenience will constitute damage to the SFMTA, the City and the public, and that the exact amount of such damage will be impractical or extremely difficult to determine.

**4.7.2** The SFMTA and Contractor agree that the amounts described as liquidated damages in Appendix A, Section 12 of this Agreement are not penalties, but represent a fair and reasonable estimate of the damages that the SFMTA will incur by reason of Contractor's failure to perform and are fair compensation to City for its losses. Failure by the SFMTA to impose liquidated damages for specified violations will not be a waiver of the right to enforce this Section, nor will it constitute a waiver of any other right of the SFMTA under this Agreement.

**4.7.3** The SFMTA may deduct a sum representing the liquidated damages assessed from any money due to Contractor under this Agreement. Should an assessment take place, the SFMTA will send written notification to the Contractor for its information. Assessments within a given month shall not exceed 50 percent of the monthly fees paid to Contractor. Liquidated damages in excess of 50 percent for a month will be carried over to the following month. If two or more failures are determined for a particular event, Contractor will be charged for the failure with the highest assessment of liquidated damages.

**4.8 Bonding Requirements.**

**4.8.1** Within 10 days of the City's issuing notice of award of the Contract, the Contractor shall furnish and maintain for the term of the Agreement, the following bonds, on forms furnished by the City, and at no expense to the SFMTA:

(a) A performance and payment bond in a form acceptable to the City, in a sum not less than 10 percent of the annual amount of the Contract to guarantee the faithful performance of this Contract and to guarantee the payment of labor, materials, supplies, and equipment used in the performance of the Contract.

(b) A scheduled fidelity bond covering each employee who performs tasks relating to SFMTA Revenue Collections and Sales for \$50,000 or a Blanket Crime Policy (Employee Dishonesty Coverage) covering all officers and employees in an amount of not less than \$100,000, and including the SFMTA as additional obligee or loss payee as its interest may appear.

4.8.2 Corporate sureties issuing these bonds shall be legally authorized to engage in the business of furnishing surety bonds in the State of California. All sureties shall have a current A.M. Best rating not less than "A-, VIII" or as otherwise approved by the City's Risk Management Division and Controller.

4.8.3 The bonds shall be renewed annually for the term of the Contract, as it may be extended. Contractor and the surety shall provide the SFMTA a minimum of 60 Days advance notice in the event that the surety intends to cancel or not renew the bond. In such event, Contractor shall, prior to the effective date of cancellation or termination, substitute another, and sufficient, surety to be approved by City. During the period covered by the Contract, if any of the sureties upon the bond become insolvent or, in the opinion of City, unable to pay promptly the amount of such bond to the extent to which the surety might be liable, Contractor, within 60 Days after notice given by City to Contractor, shall buy a supplemental bond or substitute another and sufficient surety approved by City in place of the surety becoming insolvent or unable to pay.

4.8.4 If, due to cancellation, failure to renew, or insolvency, Contractor fails to substitute another and sufficient surety within the applicable time period, City, in addition to any other remedies available to it under law, and notwithstanding any other provision of this agreement to the contrary, shall have the option to immediately declare a material breach of this Contract, terminate the Contract, and/or bring any proper suit or proceeding against monies then due or which thereafter may become due Contractor under the Contract.

## Article 5 Insurance and Indemnity

### 5.1 Insurance.

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

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

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

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

5.1.2 Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

5.1.3 Contractor's Commercial General Liability and Commercial Automobile Liability Insurance policies shall provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that the insurance applies separately to each insured against whom claim is made or suit is brought.

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

5.1.5 Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

5.1.6 Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

5.1.7 Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

5.1.8 Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements from insurers with ratings comparable to A-, VIII or higher that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

**5.1.9** The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

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

**5.2 Indemnification.** Contractor shall indemnify and hold harmless City and its officers, agents and employees from, and, if requested, shall defend them from and against any and all claims, demands, losses, damages, costs, expenses, and liability (legal, contractual, or otherwise) arising from or in any way connected with any: (i) injury to or death of a person, including employees of City or Contractor; (ii) loss of or damage to property; (iii) violation of local, state, or federal common law, statute or regulation, including but not limited to privacy or personally identifiable information, health information, disability and labor laws or regulations; (iv) strict liability imposed by any law or regulation; or (v) losses arising from Contractor's execution of subcontracts not in accordance with the requirements of this Agreement applicable to subcontractors; so long as such injury, violation, loss, or strict liability (as set forth in subsections (i) – (v) above) arises directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors, or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

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

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

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

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

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

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

## **Article 7      Payment of Taxes**

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

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

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

**7.2.2** Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a "change in ownership" for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to

the County Assessor the information required by Revenue and Taxation Code section 480.5, as amended from time to time, and any successor provision.

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

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

**7.3 Withholding.** Contractor agrees that it is obligated to pay all amounts due to the City under the San Francisco Business and Tax Regulations Code during the term of this Agreement. Pursuant to Section 6.10-2 of the San Francisco Business and Tax Regulations Code, Contractor further acknowledges and agrees that City may withhold any payments due to Contractor under this Agreement if Contractor is delinquent in the payment of any amount required to be paid to the City under the San Francisco Business and Tax Regulations Code. The City will pay Contractor any monies withheld under this paragraph, without interest, when Contractor comes into compliance with its obligations.

## **Article 8 Termination and Default**

### **8.1 Termination for Convenience**

**8.1.1** City shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. City shall exercise this option by giving Contractor written notice of termination. The notice shall specify the date on which termination shall become effective.

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

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

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

(c) At the SFMTA's direction, assigning to City any or all of Contractor's right, title, and interest under the orders and subcontracts terminated. Upon such

assignment, the SFMTA shall have the right, in its sole discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.

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

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

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

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

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

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

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

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

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

8.1.5 In arriving at the amount due to Contractor under this Section, the SFMTA may deduct: (i) all payments previously made by the SFMTA for Services covered by Contractor's

final invoice; (ii) any claim which the SFMTA may have against Contractor in connection with this Agreement; (iii) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection 8.1.4; and (iv) in instances in which, in the opinion of the SFMTA, the cost of any Service performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected Services, the difference between the invoiced amount and the SFMTA's estimate of the reasonable cost of performing the invoiced Services in compliance with the requirements of this Agreement.

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

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

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

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

- 3.5 Submitting False Claims
- 4.5 Assignment
- Article 5 Insurance and Indemnity
- Article 7 Payment of Taxes
- 10.10 Alcohol and Drug-Free Workplace
- 11.10 Compliance with Laws
- Article 13 Data and Security

(b) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, including any obligation imposed by ordinance or statute and incorporated by reference herein, and such default is not cured within 10 days after written notice thereof from the SFMTA to Contractor. If Contractor defaults a second time in the same manner as a prior default cured by Contractor, the SFMTA may in its sole discretion immediately terminate the Agreement for default or grant an additional period not to exceed five days for Contractor to cure the default.

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

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

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

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

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

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

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

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

- 3.3.2 Payment Limited to Satisfactory Services
- 3.4 Audit and Inspection of Records
- 3.5 Submitting False Claims
- Article 5 Insurance and Indemnity

6.1	Liability of City
6.3	Liability for Incidental and Consequential Damages
Article 7	Payment of Taxes
8.1.6	Payment Obligation
9.1	Ownership of Results
9.2	Works for Hire
11.6	Dispute Resolution Procedure
11.7	Agreement Made in California; Venue
11.8	Construction
11.9	Entire Agreement
11.10	Compliance with Laws
11.11	Severability
Article 13	Data and Security

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

## Article 9 Rights In Deliverables

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

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

Contractor and its subcontractor(s) may retain and use copies of such works for reference and as documentation of their respective experience and capabilities.

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

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

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

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

**10.4 Consideration of Salary History.** Contractor shall comply with San Francisco Administrative Code Chapter 12K, the Consideration of Salary History Ordinance or "Pay Parity Act." Contractor is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Agreement or in furtherance of this Agreement, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (a) asking such applicants about their current or past salary or (b) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Contractor is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Contractor is required to comply with all of the applicable provisions of 12K, irrespective of the listing of obligations in this Section.

### **10.5 Nondiscrimination Requirements**

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

with such provisions. Contractor is subject to the enforcement and penalty provisions in Chapters 12B and 12C.

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

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

**10.7 Minimum Compensation Ordinance.** If Administrative Code Chapter 12P applies to this contract, Contractor shall pay covered employees no less than the minimum compensation required by San Francisco Administrative Code Chapter 12P, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. Contractor is subject to the enforcement and penalty provisions in Chapter 12P. Information about and the text of the Chapter 12P is available on the web at <http://sfgov.org/olse/mco>. Contractor is required to comply with all of the applicable provisions of 12P, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Contractor certifies that it is in compliance with Chapter 12P.

**10.8 Health Care Accountability Ordinance.** If Administrative Code Chapter 12Q applies to this contract, Contractor shall comply with the requirements of Chapter 12Q. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of Chapter 12Q, as well as the Health Commission's minimum standards, is available on the web at <http://sfgov.org/olse/hcao>. Contractor is subject to the enforcement and penalty provisions in Chapter 12Q. Any Subcontract entered into by Contractor shall require any Subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

**10.9 First Source Hiring Program.** Contractor must comply with all of the provisions of the First Source Hiring Program, Chapter 83 of the San Francisco Administrative Code, that

apply to this Agreement, and Contractor is subject to the enforcement and penalty provisions in Chapter 83.

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

**10.11 Limitations on Contributions.** By executing this Agreement, Contractor acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (a) a City elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves, (c) a candidate for that City elective office or (b) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 10% in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting.

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

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

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

**10.14.1** Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions) of the San Francisco Administrative Code (Chapter 12T), including the remedies provided, and implementing regulations, as may be amended from time to

time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

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

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

**10.16 Reserved. (Food Service Waste Reduction Requirements)**

**10.17 Reserved. (Distribution of Beverages and Water)**

**10.18 Reserved. (Preservative-Treated Wood Products)**

## **Article 11 General Provisions**

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

To City: Chief Security Officer  
SFMTA | Security, Investigations & Enforcement  
One South Van Ness Avenue, 8th floor, Room 8225  
San Francisco, California 94103

To Contractor: Eric McGarty  
Sr. Regional Vice President  
545 Sansome Street, 6th Floor,  
San Francisco, California 94111  
Email: eric.mcgart@aus.com

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

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

**11.3 Incorporation of Recitals.** The Recitals are incorporated into and made part of this Agreement.

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

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

**11.6 Dispute Resolution Procedure.**

**11.6.1 Negotiation; Alternative Dispute Resolution.** The Parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance of services under this Agreement. If the Parties are unable to resolve the dispute, then, pursuant to San Francisco Administrative Code Section 21.36, Contractor may submit to the Contract Administrator a written request for administrative review and documentation of the Contractor's claim(s). Upon such request, the Contract Administrator shall promptly issue an administrative decision in writing, stating the reasons for the action taken and informing the Contractor of its right to judicial review. If agreed by both Parties in writing, disputes may be resolved by a mutually agreed-upon alternative dispute resolution process. If the parties do not mutually agree to an alternative dispute resolution process or such efforts do not resolve the dispute, then either Party may pursue any remedy available under California law. The status of any dispute or controversy notwithstanding, Contractor shall proceed diligently with the performance of its obligations under this Agreement in accordance with the Agreement and the written directions of the City. Neither Party will be entitled to legal fees or costs for matters resolved under this section.

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

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

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

**11.9 Entire Agreement.** This contract sets forth the entire Agreement between the parties and supersedes all other oral or written provisions. All appendices to this Agreement are incorporated by reference as though fully set forth. This Agreement may be modified only as provided in Section 11.5 (Modification of this Agreement).

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

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

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

**11.13 Order of Precedence.** Contractor agrees to perform the services described below in accordance with the terms and conditions of this Agreement, implementing task orders, the RFP, and Contractor's proposal dated December 7, 2018. The RFP and Contractor's proposal are incorporated by reference as though fully set forth herein. Should there be a conflict of terms or conditions, this Agreement, including implementing task orders, shall control over the RFP and the Contractor's proposal. If the Appendices to this Agreement include any standard printed terms from the Contractor, Contractor agrees that in the event of discrepancy, inconsistency, gap, ambiguity, or conflicting language between the City's terms and Contractor's printed terms attached, the City's terms shall take precedence, followed by the procurement issued by the department, Contractor's proposal, and Contractor's printed terms, respectively.

**11.14 Notification of Legal Requests.** Contractor shall immediately notify City upon receipt of any subpoenas, service of process, litigation holds, discovery requests, and other legal

requests (Legal Requests) related to City Data, or which in any way might reasonably require access to City's Data, and in no event later than 24 hours after it receives the request. Contractor shall not respond to Legal Requests related to City without first notifying City other than to notify the requestor that the information sought is potentially covered under a non-disclosure agreement. Contractor shall retain and preserve City Data in accordance with the City's instruction and requests, including, without limitation, any retention schedules and/or litigation hold orders provided by the City to Contractor, independent of where the City Data is stored.

## **Article 12 SFMTA-Specific Terms**

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

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

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

## **Article 13 Data and Security**

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

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

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

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

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

#### **Article 14 MacBride Principles and Signature**

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

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

CITY	CONTRACTOR
<b>San Francisco Municipal Transportation Agency</b>	<b>Universal Security Solutions, LLC, dba Allied Universal Security Services</b>
_____ Jeffrey Tumlin Director of Transportation	<i>Eric McGarty</i> _____ Eric McGarty Sr. Regional Vice President
Authorized By:  Municipal Transportation Agency Board of Directors	<u>Acknowledgement of Large Vehicle Driver Safety Training Requirements:</u>
Resolution No: _____	By signing this Agreement, Contractor acknowledges that it has read and understands Section 12.1: Large Vehicle Driver Safety Training Requirements.
Adopted: _____	City Supplier Number: 0000025762
Attest: _____ Roberta Boomer, Secretary	
Board of Supervisors	
Resolution No: _____	
Adopted: _____	
Attest: _____ Clerk of the Board	
Approved as to Form:	
Dennis J. Herrera City Attorney	
By: _____ Robin M. Reitzes Deputy City Attorney	

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## **Appendices**

- A: Scope of Services
- B: Calculation of Charges
- C-1: Prevailing Wage, Hours, and Related Information for Security Employees
- C-2: Prevailing Wage, Information for Employees under Agreement SFMTA-2015-31
- D: Security Guard Shift Schedule
- E: Fees for SFMTA's Federally Mandated Drug and Alcohol Testing Program

**Appendix A**  
**Scope of Services**

**I. DEFINITIONS**

For the purpose of the Special Conditions in this Contract, the following terms shall have the following meanings:

- A. Agreement, Contract.** The contract to be executed by the SFMTA and the successful Proposer, which shall include the Scope of Services of this Request for Proposals, the Contractor's Proposal, the Post Orders, Staffing Plan, Facility Patrol Plan, Training Plan, Standard Operating Procedures, and all other attachments and appendices to those documents.
- B. Americans with Disabilities Act, ADA.** The Americans with Disabilities Act of 1990, as amended, including all relevant regulations adopted by the U.S. Department of Justice and the U.S. Department of Transportation.
- C. As-Needed Guard Services.** Armed and unarmed Guard requests that are not a part of the regular schedule, as set forth in the current monthly Staffing Plan, where SFMTA has provided at least four hours' notice.
- D. Business Days.** Monday through Friday, 9 a.m. to 5 p.m., excluding City-designated holidays.
- E. CCTV.** Closed circuit television.
- F. Chief Security Officer.** The City employee appointed to the position of Chief Security Officer by the Director of Transportation, or his or her designee.
- G. Condition Report.** The report guards are required to submit when they observe unsafe working conditions or damage or defects to physical security features at a facility, such as fences, door locks, or surveillance cameras.
- H. Contractor.** Allied Universal Security Services, LLC, 545 Sansome Street, 6<sup>th</sup> Floor, San Francisco, CA 94111.
- I. Days.** Calendar days, unless otherwise specified.
- J. Director.** The Director of Transportation for the San Francisco Municipal Transportation Agency, or his/her designee.
- K. Emergency Guard Service.** Armed or Unarmed Guard Services that are requested by the SFMTA with less than four hours' notice.
- L. Fare Media.** Items issued by the SFMTA (1) to users of public transit to provide evidence of payment for use of services or (2) issued to the public as a means for payment for on-street parking.
- M. Firearm Permit.** An identification card issued by the Bureau of Security and Investigative Services that provides proof of weapons certification.
- N. Graffiti.** Any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other

improvement, whether permanent or temporary, including by way of example only and without limitation, shelters, kiosks, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" does not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

- O. **Graffiti Unit.** Uniformed Mobile Patrol Guards assigned to prevent graffiti from occurring and gather photographic evidence to prosecute vandals.
- P. **Guard; Security Guard.** A trained, equipped, and qualified employee of Contractor assigned to security guard duties as required under this Contract.
- Q. **Incident Report.** The report required to be filed to document events on SFMTA property that represent a security concern, an unanticipated event that results in injury, death or property damage, or any other circumstances as further defined in Section X.B.2.
- R. **Mobile Patrol Guards.** Guards assigned to the Graffiti Unit with orders to patrol unstaffed SFMTA Sites such as LRV platforms, kiosks, facilities, subway stations and bus shelters using a vehicle supplied by Contractor.
- S. **Observers.** Personnel hired by the Contractor to assist with the ADA Observer's Program.
- T. **Records.** All documents created, received, or maintained by Contractor in connection with performance under this Agreement, including, but not limited to, books, accounts, invoices, maintenance and service logs, database information, contracts, construction documents, payroll information, maintenance, construction and service logs and other documents, whether or not kept in electronic format.
- U. **Relief.** A Guard assigned to cover an authorized break, sick leave, or vacation of a Guard who is regularly assigned to an SFMTA facility or other function.
- V. **Revenue Collections & Sales; Revenue.** The division of the SFMTA that manages citations processing, parking permits, fare revenue operations, and fare programs, located at One South Van Ness Avenue.
- W. **Security Control Consoles.** A control panel containing the radio base station, CCTV monitors, digital video recorder (DVR), and the employee access control system.
- X. **Security Guard License; Guard Card.** An identification card that verifies that a person has completed the required classes and clearances to work as a Security Guard, as issued by the Bureau of Security and Investigative Services (see Business and Professions Code section 7583.12).
- Y. **Security Operations Center.** The SFMTA security operations center located at 1455 Market Street, Suite 700C, Room 705.

- Z. Services.** The Security Guard and other services to be provided by Contractor in accordance with the requirements and specifications of this Contract.
- AA. SFMTA.** The Municipal Transportation Agency of the City and County of San Francisco.
- BB. SFMTA Properties.** The Sites listed in Section VII, and any other real property in which the SFMTA has a property interest or acquires such interest during the duration of this Contract.
- CC. Site.** A property or facility to which Guards are assigned pursuant to this Contract or which may be established during the term of this Contract. Current Sites are listed in Section VII.
- DD. Standard Operating Procedure (SOP).** Written procedures, policies and guidelines used by the Contractor in day-to-day operations.
- EE. Supervisor.** An employee of Contractor whose primary job duties include oversight, supervision, scheduling and managing assigned Guards on duty, certifying Guard time records and collecting Guard reports for each shift. Specific duties of Supervisors under this Contract are further defined in subsections VIII.G.2.c-i,ii, and iv.
- FF. Training Plan.** The plan that describes the curriculum and other training requirements for new Security Guards and ongoing training that is required by the California Bureau of Security and Investigative Services and this Agreement.
- GG. Transportation Management Center, TMC.** The facility that includes the rail line management and dispatch center, Station Operations Dept., Scheduling Dept., Security Operations Center, Video Surveillance Unit, Departmental Operations Center, and other offices located at 1455 Market Street, Suite 700C.
- HH. Unavoidable Delay.** A delay in Contractor's performance of its duties under the Contract that could not have been avoided by Contractor's exercise of due care, prudence, foresight, or diligence and that arises directly from: an act of God; fire; flood; windstorm; tornado; earthquake; war; riot; insurrection; epidemic; quarantine restrictions; acts of terrorism; inability of Contractor to procure labor to the extent that such inability is not caused by disputes related to collective bargaining; inability of Contractor to procure material; accident; the prevention by the City of Contractor from commencing or prosecuting any of its duties under the Contract; inability of Contractor to obtain applicable permits and licenses from relevant governmental authorities; or failure of public utility service. Contractor bears the burden of demonstrating an Unavoidable Delay within 10 Days of City's demand.

## II. CONTRACTOR RESPONSIBILITIES-OVERVIEW

Contractor agrees that the Services to be performed, including the locations where and the hours during which Services are to be performed, and the number of Guards to be furnished by the Contractor, shall be subject to the approval of the SFMTA. Contractor agrees that the schedules set forth in a staffing plan may be changed at any time, without any penalty to the SFMTA, provided the SFMTA gives at least five Business Days' notice of the change.

The Contractor shall provide and supervise Guards for all shifts. Contractor shall provide Guards for assignment to duties and locations as described in the Scope of Services or other times or locations designated by the SFMTA.

### **III. INITIAL CONTRACT DELIVERABLES**

#### **A. List of Assigned Guards**

Prior to starting any work, Contractor must furnish the SFMTA with a complete list of all Guards assigned and their assignments (Post Orders). Contractor must check records of criminal convictions, driving history, military service, education, and employment prior to the assignment of any Guard.

#### **B. Training Plan**

1. No later than 10 Days after the Effective Date, Contractor shall provide the SFMTA with a draft Training Plan consisting of the following: (a) the proposed curriculum for each required subject matter listed in Section VIII.G below; and (b) the dates, times, and location(s) of each block of instruction. SFMTA shall review and return the draft Training Plan to Contractor with any instructions for revisions. Contractor shall deliver the completed Training Plan to the SFMTA for its approval prior to the commencement of training required by this Contract. The final approved Training Plan is incorporated by reference and shall become part of the Agreement as though fully set forth herein.
2. In addition to the initial training required above, Contractor shall provide 24 hours of training each year of the Contract to all Guards used in performance of the Contract. Training shall include, but are not limited to, industry standard training topics for an industrial and transportation setting.

#### **C. Proof of Training**

##### **1. Individual Guards**

Prior to assignment of any Guard, Contractor shall provide proof of required training for that Guard. Such proof shall include, on a form to be approved by the SFMTA, and signed by the Contractor and the Guard, documentation that each type of training required by this Contract has been completed. Falsified training documentation shall be grounds for immediate removal and replacement of a Guard and is a material breach of the Agreement.

##### **2. All Guards**

Within 30 Days of the Effective Date of the Agreement, Contractor must provide proof of having completed the required training of all Guards assigned to this Contract.

##### **3. Training**

Contractor shall provide proof of attendance for at least 24 hours of annual training with attendance sheets signed off by Guards participating in training, along with the

day, time, duration, and training subject matter. Contractor shall submit proof of attendance to the SFMTA quarterly. See Section VIII.G for further information on training requirements.

**D. Proposed Uniform Design**

Contractor shall submit proposed Guard uniform designs to the SFMTA for approval within 10 Days of the Effective Date.

**E. Supervisor Contact List**

Within 24 hours of the Effective Date, Contractor shall provide a list with 24-hour contact information (phone or pager) for all Supervisors.

**F. Proposed form of Incident Report**

Within 24 hours of the Effective Date, Contractor shall provide a proposed form of Incident Report for SFMTA approval.

**G. Report Templates**

Within 24 hours of the Effective Date, Contractor shall provide to the SFMTA templates for all reports that are required by this Contract (Training Affidavits, Incident Reports, Guard Timesheets, a Daily Activity Report (DAR), Armed Guard Daily Report, ADA Observer Reports, Condition Reports, and a bi-weekly invoice for SFMTA approval. The final approved report templates are incorporated by reference and shall become part of the Agreement as though fully set forth herein.

**IV. CONTRACTOR DUTIES**

**A. General Guard Duties**

The Contractor shall provide and supervise Guards to provide Services for all shifts and Sites for which Guards are required by this Contract or requested by the SFMTA. Except in Revenue Collection & Sales, Contractor shall make best efforts to assign Guards consistently to certain Sites so that Guards become more familiar with the procedures and authorized persons associated with that Site. Guards shall be required to perform the following duties at all Sites in accordance with SFMTA-approved Standard Operating Procedures unless otherwise provided in the Contract, or as instructed by SFMTA:

1. Protect the safety of persons on the Site.
2. Prevent and minimize fire, theft, damage and trespass on SFMTA properties.
3. Prohibit entry into secure Sites by anyone other than persons carrying valid SFMTA identification or as otherwise instructed by the SFMTA;
4. Report any unusual incidents, hazardous conditions, or damaged or defective physical security measures.

5. Maintain a daily log for each shift in accordance with all policies for the Site (e.g., sign-in and sign-out requirements for visitors);
6. Complete rounds of assigned facilities as required for each Site to ensure that all access doors or other means of controlling ingress to a facility are secure.
7. Maintain a log of all security violations and report occurrences to the SFMTA Chief Security Officer or his or her designee as soon as possible, considering the nature of the violation.
8. Monitor security desk consoles (i.e., employee access control and alarm computer, CCTV video monitors, DVRs); as well as:
  - a. Be familiar with and implement emergency fire or fire alarm procedures; be familiar with floor plans with locations of fire alarm pull boxes, fire extinguishers, fire alarm monitoring panel, and other life/safety systems.
  - b. Be familiar with and implement emergency intrusion alarm procedures, including the use of computer programs, closed circuit television monitors, voice intercom systems, alarms and alarm enunciator panels, and other equipment required for monitoring and control of building access.
  - c. Guards shall be responsible for all building and systems keys in their possession and shall account for the whereabouts of keys at all times. Keys shall not be loaned to anyone for any reason. If keys are lost or stolen, Guards shall notify Contractor **immediately**, and Contractor shall notify the SFMTA Chief Security Officer or his or her designee immediately upon receiving the Guard's report so that appropriate action can be taken to safeguard the premises. Contractor is responsible for the cost of replacement of lost, stolen or damaged keys, and replacement of door locks, if needed.
9. Be familiar with and implement procedures and protocols for responding to medical emergencies, bomb threats, riots, fires, earthquakes, hazardous spills, floods, and other emergencies.
10. Be familiar with and implement procedures for receiving and forwarding requests for maintenance.
11. Guards shall not use cell phones except as required to perform their duties and may not use or be in possession of any personal electronic devices or reading materials not related to Guard duties at a Site.
12. Guards shall never use cell phones or two-way radios on or near railroad tracks under any circumstances.
13. Guards shall, at all times, be polite, courteous, respectful, and responsive to any person authorized to be on the Site.
14. Guards shall not engage in or conduct any personal business or business outside those described in this Contract at any time while assigned to perform Services except for authorized breaks.
15. Guards shall comply with all FCC rules and regulations when using the SFMTA's radio frequency, radio base station, and handheld radio equipment.

## **B. Facility Patrols**

1. On the Effective Date, Contractor shall submit a Facility Patrol Plan setting forth how guards shall patrol the grounds of SFMTA Property as required by this Contract and as requested by the SFMTA, including subways and rail tracks, to prevent trespassing, vandalism, sabotage, injury, and liability.
2. Guards patrolling property that will bring them into regular contact with rail operations shall complete the SFMTA "On Track and Track Site Safety" (see SFMTA Requirements, subsection VIII.G.2.b).

## **C. Employee Access Controls**

Guards shall monitor the access of employees and members of the public to SFMTA Property as required by this Contract and as requested by the SFMTA. During business hours, most facilities allow employees access to all work areas except for secured areas (e.g., Revenue Collection & Sales offices, the money-counting room, various Revenue storage areas), and restricted areas (e.g., certain parts or tools storage areas, dispatch offices, and Central Control). Control of employee access to restricted areas during and after work hours is maintained through a card access system. Guards shall notify Contractor no later than the end of the shift during which any cards in the possession of Guards at the Site are lost or stolen or if any card reader is not working properly, and Contractor shall notify the SFMTA immediately upon receiving the Guard's report. Contractor is responsible for the cost of replacement of lost, stolen, or damaged cards in the possession of Contractor's employees.

## **D. Revenue Security**

Guards shall escort and protect the SFMTA's Revenue Collections & Sales employees who handle cash and negotiable fare media, as requested by the SFMTA. The SFMTA may elect to use armed or unarmed Guards to escort and protect Revenue staff. Revenue staff collects cash from the operating divisions, subway ticket vending machines, and some surface platforms on a daily basis. Some special events also require Revenue staff to sell fare media directly to the public. Contractor must provide sufficient numbers of Guards to ensure uninterrupted protection of Revenue staff during the performance of Revenue operations, as requested by the SFMTA.

1. The daily Revenue operations require constant alarm and video monitoring as well as armed Guards, to ensure both the safety of Revenue personnel and the integrity of the revenue collection and counting process. Guards assigned to Revenue operations must be observant, aware and alert at all times.
2. Contractor must rotate Guard assignments a minimum of once every six months for Revenue-related activities, and take such other measures as required to minimize the opportunity for collusion between Guards and SFMTA employees.
3. Contractor must ensure uninterrupted Guard service for Revenue operations.
4. Guards assigned to the Tower of the Revenue Center must be thoroughly familiar with:

- a. All of the Site's life safety systems, CCTV video system, alarm and access control systems, operation of Revenue parking garage doors and loading areas.
- b. SFMTA building security policies.
- c. Equipment removal policy and procedures.
- d. Procedures for deliveries of freight, supplies, equipment, mail, packages.

**E. Failure to Perform Guard Duties**

Any acts of vandalism, sabotage or theft of SFMTA vehicles, buildings, or equipment that arises from action or inaction of the Contractor, or Contractor's agents or representatives, failing to perform as required by this Contract, shall result in a credit to the City of up to 100 percent of the damages accruing to the City, including the cost of repair or replacement of the lost, damaged or stolen asset, plus all applicable SFMTA administrative costs and overhead.

**V. UNIFORMS**

**A. Uniform Items**

Contractor shall issue all Guards a uniform, which must include, at a minimum, the following items:

1. Shirts (long and short sleeve)
2. Trousers
3. Black Garrison-style belt
4. Cap (optional)
5. Jacket (cold weather use)
6. Sweater (optional)
7. Rain gear in bright yellow or orange with "Security" printed on back
8. Belt keepers
9. Name plate, gold or silver (over left breast pocket with badge number, first initial and last name) and SFMTA-issued photo I.D. badge
10. Keys with key holder
11. Contractor's insignia shoulder patch (each shirt and jacket)
12. Black shoes or boots

**B. Uniform Design**

All Guards must wear a complete uniform of the type required by this Section at all times while on duty. The design shall be a police/military style uniform subject to the approval

of the SFMTA. Guards' shoes must be black with no visible logo, and all uniform items must fit well, be clean and pressed, and must generally present a professional image to the public. Any changes to uniform design or color required by the SFMTA shall be made at no additional cost to the SFMTA.

Shoulder patches with Contractor identification shall not be larger than 4-1/2 inches by 4-1/2 inches. No other Contractor identification may be worn or displayed on the uniform. Each Guard shall also wear a lettered breast badge displaying the Contractor's name.

**C. Uniforms to be Maintained**

Contractor must maintain all uniform items for all Guards provided to perform the Services under this Contract, including outdoor clothing appropriate for the weather and season, with necessary safety clothing and equipment. The Contractor shall be responsible for the cleaning, pressing, and repair costs for all uniforms.

**VI. EQUIPMENT**

Contractor shall issue all Guards equipment, which must include, at a minimum, the following items:

- A. Flashlight and batteries
- B. Flashlight holder, black, ring or snap-style
- C. Radio holder, black
- D. Handcuffs and case or pouch (if required)
- E. Expandable baton (if required by the SFMTA)
- F. Expandable baton holder, black (if required)
- G. Whistle (thunder type) with chain attachment
- H. Semi-automatic pistol for armed Guards only
- I. Approved chemical agent (subject to prior approval by the Chief Security Officer);
- J. Body armor to the extent determined necessary by Contractor;
- K. Vehicles for the Field Supervisor, Video Surveillance Unit, and Graffiti Unit;
- L. Cellular telephones for all Supervisors;
- M. All other equipment determined by Contractor to be necessary to the successful performance of the Services.

## VII. SITES

### A. Requested Locations

Contractor shall provide armed and unarmed Guards at any location within the City and County of San Francisco within 12 hours of the SFMTA's request.

### B. Regular Locations

Contractor shall provide regular Guard and/or Mobile Patrol Services as required, permanently or temporarily, at the following Sites in accordance with the schedule set forth in Appendix D. The SFMTA reserves the right during the term of the Agreement to add Sites or to eliminate any Sites.

1. **6<sup>th</sup> and King** – located at 6<sup>th</sup> and King St., this location has a trailer facility that supports Transit Operations.
2. **700 Pennsylvania** – located at the corner of Pennsylvania and 22<sup>nd</sup> St., this complex currently houses facilities and track maintenance staff, including the crafts, special machine shop and custodial crew, and fleet engineering.
3. **1399 Marin Facility** – This building is currently a bus acceptance and storage facility.
4. **Burke Avenue Warehouse** – An SFMTA Materials Management warehouse at 1570 Burke Ave. is used for overhead lines operations and for storage of transit vehicle parts before distribution to individual storerooms at the divisions.
5. **Cable Car Division** – The Cable Car Division, located at Washington and Mason Streets, houses the cable power and machinery for operating the City's historic cable cars, the maintenance and storage facility for cable cars, and the Cable Car Museum.
6. **Cameron Beach Yard** – The smaller portion of Green Center is located at 2301 San Jose Avenue and is primarily the maintenance center and storage area for the SFMTA's historic fleet.
7. **Curtis E. Green Light Rail Center** – Green Light Rail Center, located at 425 Geneva Avenue, is a rail operations and maintenance complex that houses major maintenance and storage facilities for light rail vehicles and historic streetcars, dispatch offices, storage of maintenance equipment and supplies, and administrative offices for the Maintenance Division.
8. **Geneva Yard (Back Gate)** – located at 425 Geneva Avenue is the back gate to the Green Light Rail Center.
9. **Islais Creek Motor Coach Facility** – Islais Creek is located at 1301 Cesar Chavez and provides storage and maintenance for 50 to 175 standard motor coaches.

**10. John M. Woods Motor Coach Center** – The John M. Woods Center, located at 22nd and Indiana Streets, is the largest maintenance and storage facility for the SFMTA’s standard motor coaches and includes administrative offices for operations dispatch and maintenance, parts storage, heavy repair, light repair, machine shops, body and paint functions, and a carpentry shop.

**11. Kirkland Motor Coach Division** – Kirkland Division is located at North Point and Stockton Streets and is the operations, maintenance and storage facility for about 142 standard motor coaches.

**12. Muni Metro East** – MME is located at 25<sup>th</sup> St. & Illinois St. and houses approximately 100 light rail vehicles, dispatch facilities, and extensive maintenance facilities.

**13. Potrero Trolley Coach Division** – Potrero Division, located at Hampshire and Mariposa Streets, is the SFMTA’s largest trolley coach division. This facility includes storage and maintenance facilities for standard and articulated trolleys and offices for SFMTA’s street supervisors.

**14. Presidio Trolley Coach Division** – The Presidio Division, located at Geary Blvd. and Presidio Avenue, houses system safety and training divisions classrooms and offices in addition to the maintenance and storage of trolley coaches.

**15. Revenue Control Center** – located in the basement of 1 South Van Ness Avenue, this location supports the collection, counting and storage of cash collected from fare boxes and ticket vending machines.

**16. Security Operations Center** – located within the TMC at 1455 Market St., 7<sup>th</sup> Floor, Room 705, where the Security Operations Center Supervisor is located and conducts oversight and deployment of unarmed guards.

**17. SFMTA Headquarters** – located at 1 South Van Ness Avenue, the building is owned by the City for use by the SFMTA and other City departments. The SFMTA currently occupies the third, sixth, seventh, and half of the eighth floors, as well as the basement level at 11 Van Ness Avenue. SFMTA Headquarters is occupied by the Executive Offices; Taxi and Accessible Services; Human Resources; Capital Programs and Construction; Finance and Information Technology; Safety; Security, Investigations and Enforcement; Sustainable Streets; and Transit Services.

**18. Subways** – The SFMTA has responsibility for the operation and upkeep of the Muni areas in eight subway stations that are owned by the Bay Area Rapid Transit (BART) District: Embarcadero Station, Montgomery Station, Powell Station, Civic Center Station, Van Ness Station, Church Station, Castro Station and West Portal Station. The SFMTA owns and operates the Forest Hill Station.

**19. Trackways** – The SFMTA’s Metro System encompasses over 70 miles of trackways throughout the City, primarily along the E, F, J, K, L, M, N and T light rail lines. The remaining trackways access tracks linking the Metro Center to other

tracks. 6.2 miles of this system is in the Metro Subway running from Embarcadero Station to the West Portal Station at the end of the Twin Peaks Tunnel.

**20. Video Surveillance Unit** – located within the TMC at 1455 Market St., 7<sup>th</sup> Floor, Room 705 where system wide video surveillance is recorded, reviewed and analyzed.

**21. Welton M. Flynn Motor Coach Division** – Flynn Division, located at 1940 Harrison Street, is an operations, maintenance and storage facility for the motor coach fleet.

**22. Woods/Tubbs** – located at 40 Tubbs St., is the bus entry to the Woods Bus Maintenance Facility.

**C. Future Sites**

- 1. Central Subway Platforms:** Chinatown Station, Union Square Station and Third Street Station – scheduled to begin July 1, 2021.
2. Additional sites as requested by the SFMTA.

**VIII. PERSONNEL**

**A. Contractor Responsible for Personnel**

Contractor shall provide adequate numbers of trained and qualified personnel to fully staff all posts for all locations for which Guard Services are required to be provided by this Contract. All Guards must be employees of the Contractor; however, Contractor may provide Guards through a subcontractor only after written approval from the SFMTA. Contractor shall take full responsibility for hiring, training, payment of wages and benefits, uniforms, equipment, supervision, transportation costs, direction and discharge of Guards. The payment of federal, state, and local taxes and all wages shall also be the responsibility of the Contractor. Contractor shall comply with all required federal, state and local employment laws and regulations. The Contractor shall provide relief for Guards who are on authorized breaks or leaves.

**B. Removal without Cause**

The SFMTA may request Contractor to remove any Guard from performing Services under this Contract at any time it desires and for any business reason. Contractor shall remove and replace personnel within 24 hours when requested by the SFMTA.

**C. Removal with Cause**

Contractor shall remove and replace a Guard within 30 minutes of an SFMTA request for any cause or condition that renders the Guard incapable of performing his or her duties, which shall include, but not be limited to, sleeping on duty, theft, and alcohol or illegal drug use. Contractor shall remove and replace personnel within 24 hours for other

violations or performance failures set forth in the Agreement when requested by the SFMTA.

**D. Reassignment, Augmentation, Reduction of Workforce**

Within five Days of a request by the SFMTA, Contractor shall reassign Guards, and such reassignment shall be at no cost to the SFMTA. If the SFMTA's need for Services increases or decreases the number of Guards required to fulfill this Contract, the City's cost shall be based on actual hours of Services provided at the billing rates set forth in this Contract.

**E. Drug and Alcohol Screening**

Federal Transit Administration (FTA) regulations require that all armed personnel undergo random substance (drug and alcohol) abuse screening as a condition of employment or contracting with the SFMTA, as follows:

1. In implementation of the Omnibus Transportation Employee Testing Act of 1991 (49 U.S.C. App. 1618a), the FTA, in February 1994, issued regulations requiring its grant recipients to institute drug and alcohol testing programs. These regulations, as amended, are found in Title 49 of the Code of Federal Regulations, Part 655. Additionally, 49 CFR Part 40 contains procedures for collecting and analyzing drug and alcohol specimens.
2. Generally speaking, FTA requires testing of all transit system employees, including part-time employees, certain volunteers and contractors who perform "safety-sensitive functions." A safety-sensitive function includes, for purposes of this Agreement, **carrying a firearm for security purposes**.
3. Accordingly, Contractor shall: (1) implement its own drug and alcohol testing program in compliance with FTA regulations; (2) use the services of a third party administrator to fulfill these requirements; or (3) participate in the SFMTA's program.
4. The drug and alcohol testing requirements include, but are not limited to:
  - a. Testing for alcohol, by means of a breathalyzer test
  - b. Testing for the following drugs (cocaine, marijuana, amphetamines, PCP, and opioids) by means of a urine specimen
  - c. Six types of testing: pre-employment, random, post-accident, reasonable suspicion, return-to-duty, and follow-up
  - d. Adoption of a policy statement explaining the various testing requirements, including procedures and the consequences for those employees who test positive. The policy must be distributed to all of the contractor's safety-sensitive employees.
  - e. Training of all safety-sensitive employees. Each safety-sensitive employee will need a minimum of one hour of training on the effects and consequences of prohibited drug use and on the signs and symptoms indicating prohibited

drug use. Supervisors who may make reasonable suspicion determinations need an additional two hours of training on the indicators of probable drug use and alcohol misuse.

- f. Referral of employees who test positive to a Substance Abuse Professional
  - g. Recordkeeping and reporting. The regulations include requirements for retention of records and annual reporting of drug and alcohol testing information by the SFMTA to FTA.
  - h. Obtaining information from previous employers on all applicants who apply for safety-sensitive positions
5. One hundred percent of all armed Guards assigned to the SFMTA shall be subject to required testing. Contractor must provide written proof of pre-employment testing of each armed Guard prior to that Guard providing any Services under this Contract. On a quarterly basis, Contractor shall provide new employee names to the SFMTA for testing to be performed by the SFMTA. For testing performed by the Contractor, it shall provide documentation of testing to the SFMTA on a quarterly basis.
6. **Options 1 and 2:** (If the Contractor implements its own program or contracts with a third party administrator)
- a. The Contractor agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Part 655 and 49 CFR Part 40, produce any documentation necessary to establish its compliance with Parts 40 and 655, and permit any authorized representative of the U.S. Department of Transportation or its operating administrations, the California Public Utilities Commission (in its capacity as state oversight agency), or the City and County of San Francisco to inspect the facilities and records associated with the implementation of the drug and alcohol testing program and review the testing process. The Contractor agrees further to certify annually its compliance with Part 655 by December 1st of the calendar year and to submit the Management Information System (MIS) reports before March 1st (for the prior calendar year) to the Manager of the SFMTA's Employee Services Section. To certify compliance, the Contractor shall use the "Substance Abuse Certifications" in the "Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements," which is published annually in the Federal Register.
  - b. The Contractor further agrees to submit within 30 days of the Effective Date: (1) verification that its safety-sensitive employees are included as part of a safety-sensitive random testing pool; (2) a copy of Contractor's policy statement developed to implement its drug and alcohol testing program; and (3) the name of its third party administrator, if applicable. Failure to submit such documents within the prescribed time period, or failure to submit any other documentation relevant to the testing

requirements as required by SFMTA, shall be cause for withholding payments to Contractor until the requirements of this section are met.

- 7. Option 3:** (If the Contractor's employees perform work at the SFMTA and the Contractor chooses to participate in SFMTA's program.)
- a. Contractor agrees that its safety-sensitive employees will participate in the SFMTA's federally mandated drug and alcohol testing program. This participation shall include the following services: training, testing and collection, laboratory, medical review officer, and substance abuse professional. The SFMTA will bill Contractor its fees for these services at the rates identified on Appendix E hereto. Payment shall be due within 30 Days of the date of invoice. Contractor agrees that if it does not timely pay the SFMTA for such services, the SFMTA may withhold the unpaid amount of the invoice from its payments to Contractor.
  - b. Contractor shall be responsible for preparation and adoption of a policy statement in compliance with the requirements of 49 CFR Part 655 and for complying with any other federal requirements, including, but not limited to, obtaining required previous employment information regarding applicants for safety-sensitive positions (in compliance with 49 CFR § 40.25). Contractor shall also be responsible for the costs of any rehabilitation or employee assistance benefits for its employees.

#### **F. Qualified Employees**

Employees hired by the Contractor as Guards shall possess the following skills and abilities:

1. Guards shall have the ability to speak, read, write, understand, and properly use documents written in English.
2. Contractor shall communicate all written materials provided by the SFMTA to Guards, including rules, procedures, regulations, guidelines and instructions, and shall ensure that Guards adhere to the standards set forth in such materials.
3. Each Guard provided under this Contract shall have the minimum qualifications required for the position for which he/she is provided as set forth herein, to include a license from the Department of Consumer Affairs, Bureau of Security and Investigative Services, Private Investigation Act, Section 7512.13 (commonly known as a "Guard Card"). Records shall be retained for a period of not less than two years. All such records shall be available for inspection by the bureau at the licensee's principal place of business and copies shall be submitted to the bureau upon request. The SFMTA may require proof of such qualifications at any time from either the Guard or the Contractor.
4. Guards must be at least 21 years of age. This requirement may be waived for veterans of military service with the written approval of the SFMTA.
5. Any Guard assigned to armed duty shall meet all qualifications and have a valid Firearms Permit, or Firearms Qualification Card, or Exposed Firearms Permit

issued by the California Bureau of Security and Investigative Services to carry firearms. Pursuant to the Business and Profession Code Section 7583.2, the California Code of Regulations Title 16 CCR § 634, the Contractor required firearms records shall contain the following information: make, model and serial number of the firearm, the name of the person who has title of ownership, the name of each person authorized to possess a firearm, and evidence that such person is proficient in the use of the particular caliber of firearm which the person carries, uses or possesses. **In addition, the SFMTA requires that such person only carries, uses or possesses the firearm on record that he/she has shown evidence of proficiency with that particular firearm.** Such records shall be retained for a period of not less than two years. All such records shall be available for inspection by the bureau at the licensee's principal place of business and copies shall be submitted to the bureau upon request. The SFMTA may require proof of such qualifications at any time from either the Guard or the Contractor.

6. The following persons are not qualified to work as Guards:
  - a. Guards removed for cause at any time during this Agreement;
  - b. Guards who do not possess the required certifications or training specified in this Agreement.
7. Should any employee be found unqualified for the position to which he/she is assigned, Contractor shall remove such employee immediately and provide a replacement within four hours at no additional cost to the SFMTA.
8. The SFMTA shall not pay for any Service provided by Contractor's employees who do not meet the qualifications set forth herein. In the event that the SFMTA discovers, at any time, that it has already paid the Contractor for Services provided by an unqualified employee of the Contractor, the Contractor shall refund any such payment to the SFMTA within 10 business days of notification by the SFMTA. The SFMTA may, at its option, deduct an equal amount from any payment due or to become due to the Contractor under this Agreement or any other agreement.

## **G. Training Requirement**

### **1. State Requirements**

Contractor shall require all Guards to have a current Security Guard License (Guard Card) issued by the California Bureau of Security and Investigative Services in their possession. Contractor shall provide to the SFMTA a photocopy of the current Security Guard License for all Guards assigned to SFMTA facilities 10 days prior to the Effective Date. Contractor shall provide photocopies of valid Guard Cards for new employees 24 hours prior to their start date at SFMTA Sites and shall provide photocopies of Guard Card renewals or proof of payment for the renewals quarterly. In addition to the Guard Card, all Armed Guards must have in their possession a Firearm Permit issued by the California Bureau of Security and Investigative Services. Contractor shall provide to the SFMTA a photocopy of the current Firearms

Permit for all Armed Guards assigned to SFMTA facilities 10 days prior to the Effective Date.

## 2. SFMTA Requirements

- a. Within five days of the Effective Date of the Agreement, Contractor and the SFMTA will meet to develop written training plans and implement a training program. Contractor and the SFMTA will have five days to complete the training plan and four weeks to complete all training.
- b. Prior to assignment at any SFMTA Site, all Guards assigned to any location or function that will bring them into regular contact with rail operations shall complete the SFMTA **"On Track and Track Site Safety"** course (4 hours). Training will include SFMTA-specific curriculum to address safety issues related to work at a transit rail facility and CALOSHA safety training.
- c. Additional training requirements for more specialized positions (the type of training depends on assigned duties) are as follows:
  - i. Field Supervisor - 32 hours  
Training will include learning the location and routes to all SFMTA facilities, all identified security vulnerabilities, alarm response procedures, safe vehicle operation, and proper radio usage procedures to assist in monitoring deployment of unarmed staff. The field supervisor will also learn how to train new unarmed Guards assigned to conduct a foot patrol of the Site, to document their activities, and to issue radios, tour system readers and other needed equipment as needed.
  - ii. Security Operations Center Supervisor-Unarmed (1455 Market St., 7<sup>th</sup> Floor, Room 705) - 40 hours  
Training will include proper radio usage procedures and documentation of calls to assist in monitoring deployment of unarmed personnel, abiding by FCC rules, and inventory and key control. Training will also include CCTV & alarm monitoring procedures, alarm response duties and emergency contact procedures, and incident report writing. Those assigned to this position will also be trained on how to staff open posts and weekly scheduling of unarmed Guards.
  - iii. Tower Guard-Unarmed (Revenue Center-1 SVN basement) 8 hours  
Training will include proper radio procedures, inventory control, CCTV and alarm monitoring procedures, alarm response duties, and emergency contact procedures, and approved procedures to control access to revenue loading dock and secured areas to authorized personnel.
  - iv. Armed Revenue Supervisor (Revenue Center-1 SVN basement) - 40 hours

Training for this position will include all procedures required for armed revenue Guards. The armed supervisor will be trained in revenue loading dock procedures. Those assigned to this position will also be trained on how to schedule/rotate armed Guards through different collections as required by the Contract and how to staff open posts.

v. Armed Revenue Guards (Revenue Center-1 SVN basement) - 3 days

Training will include orientation to all subway platforms, sites and facilities to which armed Guards escort revenue staff during revenue operations. During this training Guards will be instructed on each area's vulnerabilities, as well as proper placement and responsibilities while on escort duty and when returning to base. These Guards will also be instructed on proper radio usage.

vi. Graffiti Patrol-Unarmed - 24 hours

Training will include learning the routes to all SFMTA bus yards, facilities, portals, stations and platforms where graffiti is likely to occur, pictorial and written documentation of procedures for graffiti attacks, as well as safe vehicle usage. These Guards will also be instructed on proper radio usage.

vii. Facility Guard-Unarmed - 8 to 24 hours as needed

Training will include identification of the facility vulnerabilities and the assigned patrol area, instruction on other duties including proper radio usage, verifying employee credentials, and keeping unauthorized people out of restricted areas.

viii. ADA Observer-Unarmed - 4 hours

Training will include an orientation on all ADA compliance issues that operators are required to follow while driving a transit vehicle, documentation of non-compliance, and filling out ride reports and time sheets.

ix. Video Data Assistant- 40 hours

Video Data Assistants are responsible for retrieving video data storage units from buses and light rail vehicles, viewing footage, and preparing DVD or other electronic copies for the SFMTA Security, Transit, and Safety groups, the San Francisco Police Department, and other City departments.

x. Ongoing Training Requirements

The Contractor must ensure that training described in this subsection c. is conducted annually or when a Contractor hires any new Supervisor, armed Guard or a group of 10 unarmed Guards within a given quarter. The SFMTA reserves the right to test Guards' knowledge of the training curriculum required by this Contract.

The Contractor shall ensure that all Guards have completed an anti-discrimination and harassment course (4 hours) within one year of assignment to this Contract.

xi. **Training Waivers**

Contractor may request the training requirement to be waived for a particular Guard if Contractor submits adequate documentation to demonstrate that the Guard's skills already exceed the training requirements and the SFMTA approves the waiver request. No waivers for safety and CALOSHA training are allowed under this Agreement.

xii. **Training Records**

Facsimiles of all training records for the Contractor and subcontractors will be maintained by the Contractor's Account Manager (see 8.F below), or his or her designee, at 1 South Van Ness Avenue or an SFMTA facility approved by the Chief Security Officer. Facsimiles shall be maintained for the entire term of the Agreement. Upon request of the SFMTA, the Account Manager shall provide such facsimiles to the SFMTA the same day they are requested.

**IX. TYPES OF SERVICES**

**A. Armed Personnel**

Contractor shall provide the following Guards and Services in accordance with Exhibit 2:

**1. Armed Revenue Escort Security Officer Guards**

Contractor shall provide Armed Revenue Escort Security Guards who are assigned to Revenue escort duties. These Guards must be armed and fully equipped (with semi-automatic pistol, handcuffs, baton, approved chemical agent, holsters, and other equipment as required) to escort Revenue staff.

**2. Armed Revenue Guard Supervisor**

Contractor shall provide an Armed Revenue Guard Supervisor, who shall supervise all armed Guards assigned to the Revenue Section to ensure that the Guards follow all established procedures. This includes but is not limited to checking in armed Guards, issuing equipment, collecting reports, scheduling of armed Revenue Guards and Relief, and additional duties as requested.

**B. Unarmed Personnel**

Contractor shall provide the following unarmed personnel:

## **1. Revenue Tower Officers**

Guards posted at the Tower will be stationed in an elevated control room at 1 South Van Ness Ave. in the basement area connected to the Revenue vault section to secure the vault and adjacent areas. Guards at this post must be proficient in PC-based software, CCTV, and employee access control and alarm systems, and monitor and control all entry into the garage area and vault sections.

## **2. Security Operations Center Supervisor**

One Security Operations Center Supervisor shall be responsible for monitoring the deployment of Guards and supervising all consoles and unarmed Guard operations, managing communications, and reporting directly to the Contractor's Account Manager. The Security Operations Center Supervisor shall be responsible for scheduling all Guards and Relief, as well as monitoring all access and CCTV systems. The SFMTA requires a minimum of one unarmed Console Supervisor to be assigned to Security Control Consoles for each eight-hour shift.

## **3. Security Control Console Monitors**

Contractor shall provide Guards to monitor Security Control Consoles at Muni Metro East and at Revenue in the basement at 1 South Van Ness Avenue, 24 hours per day, 7 days per week.

## **4. Field Supervisor**

Contractor shall provide one unarmed Field Supervisor, whose primary responsibility shall be to patrol the SFMTA's various facilities and Sites and respond to all requests for response by the Security Operations Center Supervisor. When requested, or when there is an incident that requires such response, the Field Supervisor shall meet San Francisco Police Department (SFPD) and/or SFMTA staff at the location with keys or access cards as required in order to allow them access into the building. The Field Supervisor must remain in contact with the Security Operations Center Supervisor while on patrol using a handheld radio to be provided by the SFMTA.

## **5. Graffiti Unit Guards**

- a. Contractor shall provide uniformed Mobile Patrol Guards to prevent graffiti from occurring and gather photographic evidence to prosecute vandals. The locations that must be patrolled by the Graffiti Unit include, but are not limited to, T-line platforms on Third Street and the perimeters of all SFMTA facilities. Graffiti Unit Guards may not be used as Relief without permission from the Chief Security Officer or his or her designee.
- b. The Graffiti Unit must patrol the affected SFMTA Property following the report of a graffiti attack on any bus, trolleys or light rail vehicle while parked on SFMTA property. After arriving on site, Graffiti Unit Guards shall inventory vehicles with graffiti, interview SFMTA employee(s) who reported

or saw the incident, get a track sheet indicating where the coaches marred by Graffiti are located in the yard, and take digital photographs of the individual Graffiti "tags." The Guard will advise the Security Operations Center Supervisor to contact the SFMTA Transit Management Center (TMC) with a request for SFPD to respond to the Site to issue a police report. The Guard shall remain on-site to assist SFPD. The Incident Report will include an SFPD case number along with photographs and a tracking sheet.

### **C. Supervisor Duties**

1. Each Supervisor of an upcoming shift shall, prior to shift change, determine the readiness of Guards preparing to be posted and ensure that an adequate number of properly uniformed and equipped Guards are available for the shift.
2. Each Supervisor shall communicate any changes in post assignments or procedures, any special instructions, announcements, or any other pertinent information that may affect security operations.
3. On-duty Supervisors shall be available at all times during their shift to receive and implement orders or special instructions from the SFMTA concerning matters which affect the operation and security of assigned areas.
4. Supervisors shall instruct Guards as to their daily duties at the beginning of each shift. Guard duties shall not interfere with the operations of the SFMTA.
5. No on-duty Supervisor may perform the duties of a Guard on patrol or Relief except in emergencies. During emergencies, the Supervisor may staff a post for a period not to exceed two hours in any consecutive eight-hour period, unless this requirement is waived by the SFMTA. A report shall be submitted to SFMTA by the Supervisor no later than the next business day after the emergency.

### **D. Contract Security Administrative Support**

Contractor shall provide all necessary administrative support to manage its employees; to prepare reports, compile statistics, and provide information as requested by the SFMTA.

### **E. As-Needed and Emergency Guard Service**

1. In addition to requested scheduled Services, Contractor shall provide as-needed Guard Services whenever requested by the SFMTA, so long as the SFMTA gives at least four hours' notice of a request for additional Services. As-needed Guards shall be compensated in accordance with applicable Federal, State, and local law.
2. Contractor may be asked to provide armed or unarmed Guards for Emergency Guard Service. Contractor shall provide an Emergency Guard within one hour of the SFMTA request. Contractor may charge an overtime rate for the first eight hours of such Services only. After the first eight hours, the rate of pay will revert to regular rates.

**F. Account Manager**

1. Contractor shall provide an Account Manager to coordinate Contract Services. The Account Manager shall be responsible for managing the SFMTA account and responding to all SFMTA requests for additional Services or any other SFMTA concerns regarding staffing or security issues. The Account Manager shall report directly to SFMTA's Chief Security Officer.
2. The Account Manager must be available to participate in security audits and evaluations of SFMTA facilities, practices and procedures. This requirement is a material term of the Contract.

**G. Observer Program**

Contractor shall provide unarmed plain-clothes personnel as needed and as approved by the SFMTA to act as field observers. The purpose of the Observer Program is to ensure the SFMTA's adherence to ADA requirements. The Observer will be assigned to specific SFMTA operators where complaints about non-compliance with ADA requirements have been reported. Observers shall complete a daily written report in a form to be provided by the SFMTA, documenting their observations while riding each vehicle. Although the primary purpose of Field Observers is to document ADA compliance by SFMTA operators, such Observer report may also include observation of other transit service-related issues, such as fare evasion, customer service problems, or vandalism. No single individual employed as part of the Observer Program may work as an Observer more than 15 hours per week unless approved by the SFMTA in writing. The Observer shall, at a minimum, document the following observations on a form provided by SFMTA's Accessible Services Division:

1. Whether the operator calls out stops and transfer points.
2. Whether the operator is courteous and accommodating to patrons with disabilities.
3. Whether the wheelchair ramp or the coach is lowered when needed.
4. Whether wheelchair patrons are properly secured in the designated wheelchair area when the coach is in motion.
5. That the designated seats are kept open for patron(s) who are elderly or who have disabilities.
6. Whether the bus is operated safely with a minimum amount of jerking motions.
7. Whether all service animals are allowed on the vehicle.
8. Whether the fare boxes on the vehicle are functioning properly.

## **X. TIMES OF SERVICE**

### **A. Time Records**

1. At the beginning and end of each shift, Guards shall sign their own time records. No Guard, Supervisor or individual may sign time records on behalf of another Guard.
2. Contractor shall maintain all original time records and payroll records for an employee for which the SFMTA is charged within 10 miles of San Francisco. Contractor shall retrieve such records within 24 hours of an SFMTA request.
3. The Account Manager shall maintain facsimiles of all time records for the Contractor and subcontractors, at 1 South Van Ness Avenue or an SFMTA facility approved by the Chief Security Officer. Facsimiles shall be maintained for the entire term of the Agreement. Upon request of the SFMTA, the Account Manager shall provide such facsimiles to the SFMTA the same day they are requested.
4. Contractor shall maintain electronic records of actual daily Guard assignments and functions in a standard and reportable manner (e.g., MS Office).
5. Contractor shall make all time records and payroll records available for inspection, copying or audit for the entire term of the Agreement and for a minimum of three years after the term of the Agreement. This section shall survive termination or expiration of the Agreement.
6. Time records shall be co-signed at the end of each shift by the shift Supervisor certifying the accuracy of the time record for that Guard.

### **B. Hours of Service**

#### **1. Shift Schedule**

- a. The Contractor shall provide Guards to fill all shifts listed in Appendix D. SFMTA reserves the right to change the times or locations of the shifts listed in Exhibit 1. Contractor agrees that the Services, including the locations and areas where Services are to be performed, the hours for which such Services are to be maintained, and the number of trained, equipped and qualified Guards to be furnished by the Contractor hereunder shall be subject to the approval of the SFMTA. Contractor agrees that the scheduled work hours and days of Services may be changed at any time, without any penalty to the SFMTA, provided the SFMTA gives 10 business days' notice of any changes to Exhibit 1, except in emergencies.
- b. One week prior to commencement, the Contractor must provide the assignment of duties and locations for Guards for approval by the Chief Security Officer. Contractor must also describe how arrangements will be made for rotating coverage during breaks for Guard stations at Revenue

locations and must show assignment rotation a minimum of once every six months for Revenue-related activities.

## **2. Limitation on Overtime**

No Guard shall work more than 12 hours on one or more Sites, for other clients of Contractor, or for or any other job in any 24-hour period unless the work periods are separated by an eight-hour non-duty period. The SFMTA may excuse a failure to comply with this requirement where Contractor demonstrates in writing, within one business day after the event, any condition that prevented Contractor's compliance with this requirement. All requests for an exception to this requirement must receive prior written approval from the SFMTA. The Contractor must obtain a written confirmation of the waiver of this requirement from the SFMTA for each occurrence.

## **C. Holidays**

Contractor shall provide Services on the following official City holidays:

1. New Year's Day
2. Martin Luther King's Birthday
3. President's Day
4. Memorial Day
5. Independence Day
6. Labor Day
7. Columbus Day
8. Veterans Day
9. Thanksgiving Day
10. Day after Thanksgiving
11. Christmas
12. Any additional official City holidays during the term of the Agreement.

## **D. Special Events**

The Contractor shall provide additional Services for miscellaneous special events that require armed or unarmed Guard coverage. The SFMTA will provide at least five business days' notice of the number of Guards needed for a Special Event. These Events include, but are not limited to:

1. Bay to Breakers (armed)
2. Halloween (armed and unarmed)
3. New Year's Eve (armed and unarmed)
4. Gay Pride Weekend (armed and unarmed)
5. San Francisco Giants baseball games (armed)
6. Golden State Warriors basketball games (TBD)
7. Any other Special Events designated by the SFMTA as requiring Guard Services.

## **XI. REPORTS AND MEETINGS**

### **A. Meetings**

Contractor's Account Manager shall attend monthly meetings when requested by the Chief Security Officer and/or other SFMTA staff to discuss issues related to the Agreement, including, but not limited to, performance, invoice payments, Agreement status, and personnel issues.

### **B. Reports**

#### **1. General Report Requirements**

Contractor shall submit written reports as requested by the SFMTA. Whenever a written report is required under the Agreement, any such report must be written in legible English. Format for the content of such reports shall be determined by the SFMTA. The timely submission of all reports is a necessary and material term and condition of this Agreement. All reports must be submitted in a Microsoft Word or compatible format in the approved template set forth in Section III.G. The reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible. Any changes to report content or formats requested by the SFMTA shall be made at no cost to the SFMTA. All written reports are to be submitted by the beginning of the next business day to:

**Chief Security Officer  
One South Van Ness Avenue, 8th floor, Room 8225  
San Francisco, CA 94103**

#### **2. Incident Reports**

Guards must submit Incident Reports whenever there is an event or condition on or adjacent to SFMTA Property involving injury to persons or property, criminal activity, security breaches, departures from required procedures, suspicious activity, unauthorized persons on SFMTA property, or any significant confrontations or altercations among or between SFMTA employees, contractors (including Contractor's employees) or members of the public. Guards who witnessed and/or responded to the incident shall prepare Incident Reports no later than the end of the shift during which an incident occurs. The Incident Report shall include a description of the incident and its status (i.e., "no incident, "all clear" or "further investigation and follow-up required"). The Incident Report shall be submitted electronically to the SFMTA Chief Security Officer, or a designated representative each business day for the prior business day's incidents. An Incident Report must be filed in any of the following circumstances:

- a. Guard is required to intervene between any two or more persons, including other Guards, members of the public or SFMTA staff;

- b. A Guard witnesses any crime or suspected crime, including assault;
- c. A Guard witnesses any incident in which there is a potential personal injury, whether or not medical attention is requested or required, or in which loss or damage to public or private property occurs;
- d. A Guard is required to give direction or an order to any person on a Site and they protest or express their unwillingness to comply;
- e. A Guard discovers any unlocked doors or any activated alarms, false or otherwise;
- f. A Guard discovers any evidence of an area being used and/or occupied by vagrants or loiterers.
- g. A Guard observes suspicious or unusual activities, intrusion alarm information, or graffiti attacks.

### 3. Annual Summary Reports

Ninety days before each anniversary date of the Contract, Contractor must furnish a report of the total Services ordered during the preceding 12 months. The report must be in a format acceptable to SFMTA and must list by department or location the following: (a) all Services ordered under the Contract; and (2) total quantity and dollar value of each Service ordered.

### 4. Other Required Reports

- a. The Security Operations Center contains SFMTA equipment for which Contractor shall be responsible. All malfunctions, vandalism and loss of said equipment stored in the Security Operations Center must be reported within four hours of the occurrence.
- b. When a Guard observes suspicious or unusual activities, intrusion alarms, or a graffiti attack, a report must be telephoned in to SFMTA Central Control within five minutes of the occurrence.
- c. Beginning with the Effective Date, Contractor shall submit a monthly staffing plan that includes the number of Guards that will be designated for each assignment listed in Exhibit 1 for the upcoming month. The first staffing plan shall include the first two months of the Contract, and each subsequent staffing plan shall be submitted 30 days in advance of the month covered by the staffing plan. Supervisors must report any variances from established staffing plans and schedules that occur within a given shift by location and hour, within one business day of the variance. The staffing plan must include arrangements for rotating coverage during breaks for Guards stationed at Revenue Sales locations and must show assignment rotation a minimum of once a month for Revenue-related Activities.
- d. Daily Activity Report (DAR): a log of a Guard's activity during an assigned shift. Items to be filled out include, but are not limited to, time of patrols and

breaks/lunch. The DAR is kept on file at the SFMTA facility per the instructions of the Chief Security Officer.

- e. Armed Guard Daily Report: A log of activity of Armed Guards during a given shift. Log includes arrival and departure time and the name of the SFMTA revenue worker to whom they have been assigned. Log is submitted to the Armed Guard Supervisor or his or her designee at the end of each shift.

## **XII. MATERIALS TO BE PROVIDED BY SFMTA**

- A. SFMTA-required Standard Operating Procedures.
- B. Site's life safety systems, CCTV, computer system, alarm systems, operation of revenue parking garage doors and loading areas, SFMTA building security policies, and key and access card control.
- C. Emergency fire or fire alarm procedures, including floor plans with locations of fire alarm pull boxes, fire extinguishers, fire alarm monitoring panel and other life/safety systems.
- D. Emergency intrusion alarm procedures including computer programs, CCTV monitors, voice intercom systems, alarms and alarm enunciator panels and other equipment required for monitoring and control of building access.
- E. Procedures and protocols for responding to medical emergencies, bomb threats, riots, fires, earthquakes, hazardous spills, floods and other emergencies.
- F. Procedures for deliveries of freight, supplies, equipment, mail, and packages to the Revenue Center.
- G. Equipment removal policy and procedures.
- H. Procedures for receiving and forwarding requests for maintenance.
- I. Procedures and protocols for issuing, canceling, using, replacing, and confiscating access control devices, including keys and access cards.
- J. SFMTA Security shall provide the Contractor with a list of contact names and departments, with land line, cell phone and pager numbers. These names are to be used when Contractor needs to notify various individuals or departments about incidents, or to request information and assistance.

## **XIII. LIQUIDATED DAMAGES**

The SFMTA may exercise its authority to assess liquidated damages from Contractor up to the maximum amounts provided herein for each instance of Contractor's failure to comply with the requirements and performance standards enumerated in this section, except to the extent that any delay by Contractor constitutes an Unavoidable Delay.

- A. For failure to submit Post Orders within 15 days of the Effective Date as set forth in Section III.A, Contractor shall pay \$100 per 24-hour period of delay.

- B.** For failure to provide a draft Training Plan no less than 10 Days prior to commencement of training as set forth in Section III.B.1, Contractor shall pay \$100 per 24-hour period of delay.
- C.** For failure to provide Proof of Training as set forth in Section III.C, Contractor shall pay \$100 per employee for whom Proof of Training was omitted.
- D.** For submitting false documentation for training verification as set forth in Section II.C.3., Contractor shall pay \$2,500 per incident.
- E.** For failure to submit proposed Guard uniform designs to SFMTA for approval within 10 Days of the Effective Date as set forth in Section III.D, Contractor shall pay \$50 per 24-hour period of delay.
- F.** For failure to submit a Supervisor Contact List on the Effective Date as set forth in Section III.E, Contractor shall pay \$50 per 24-hour period of delay.
- G.** Failure to provide the all Report Templates to be used by the Contractor on the Effective Date as set forth in Section III.G, Contractor shall pay \$50 per 24-hour period of delay.
- H.** For failure to submit a Facilities Patrol Plan on the Effective Date as set forth in Section IV.B, Contractor shall pay \$100 per 24-hour period of delay.
- I.** For failure to provide all Report Templates to be used by the Contractor on the Effective Date as set forth in Section III.G, Contractor shall pay \$50 per 24-hour period of delay.
- J.** For failure to provide Services at all times during Revenue operations as set forth in Section IV.D, Contractor shall pay \$100 per incident.
- K.** For failure to perform Guard Duties-Section IV.E. Any acts of vandalism, sabotage or theft of SFMTA vehicles, buildings or equipment that is the direct result of the Contractor, or Contractor's agents or representatives, failing to perform as required by the Agreement in Post Orders, Contractor shall pay up to 100 percent of the cost of repair or replacement of the lost, damaged or stolen asset, plus all applicable SFMTA administrative costs and overhead.
- L.** For failure to ensure that Guards report to duty with all uniform elements required by Section V.A, Contractor shall pay \$250 per incident
- M.** For failure to ensure that each Guard reports for duty with all required equipment required by Section VI, Contractor shall pay \$250 per incident.
- N.** For failure to provide Guards to SFMTA Sites listed in Section VII, in accordance with Exhibit 1, Contractor shall pay \$1,000 per day per shift not covered by a Guard.
- O.** For failure to remove and replace Guards as set forth in Section VIII.C and within deadlines in the Agreement, Contractor shall pay \$50 per 30-minute delay.
- P.** For failure to reassign Guards within 24 hours of an SFMTA request (at no cost to the SFMTA), as set forth in Section VIII.B, Contractor shall pay \$150 per incident.

- Q. For failure to provide all new employee names and documentation of drug testing to the SFMTA for each armed Guard as set forth in Section VIII.E, Contractor shall pay \$1,000 per incident.
- R. For failure to submit an Incident Report within the deadline set forth in Section X.B.2, Contractor shall pay \$50 per day of delay.
- S. For failure to provide any required personnel and hours of coverage for the Account Manager as set forth in Section IX.F, Contractor shall pay \$500 per day per staff person not provided.
- T. For failure to provide any required personnel and hours of coverage for the Observer Program as set forth in Section IX.G, Contractor shall pay \$200 per day per staff person not provided.
- U. For failure to provide the adequate level of personnel and hours of coverage for Special Events as described in Section X.D, Contractor shall pay \$500 per day per staff.
- V. For failure to provide any report as set forth in Section X.B.1, Contractor shall pay \$250 per incident.

#### **XIV. SERVICES PROVIDED BY ATTORNEYS**

Any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. No invoices for services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will be paid unless the provider received advance written approval from the City Attorney.

#### **XV. DEPARTMENT LIAISON**

In performing the Services provided for in this Agreement, the SFMTA point of contact will be the Chief Security Officer.

**Appendix B  
Calculation of Charges**

The Contractor shall use the billing rates in Table 1 - Billing Rates below during each Calendar Year (January 1 through December 31) the Agreement is in force, without adjustment throughout the Initial Term, and for each Option Year except as set forth in Section 3.3.1(a) of the Agreement or as amended in writing by the SFMTA.

**Table 1 – Billing Rates**

Calendar Year Billing Rates	2020	2021	2022	2023	2024	2025	2026
Unarmed Officer	\$35.18	\$35.89	\$36.87	\$37.85	\$38.83	\$39.80	\$40.74
Video Surveillance	\$36.51	\$37.21	\$38.19	\$39.16	\$40.14	\$41.11	\$42.07
Security Console	\$36.51	\$37.21	\$38.19	\$39.16	\$40.14	\$41.11	\$42.07
Mobile Patrol	\$36.51	\$37.21	\$38.19	\$39.16	\$40.14	\$41.11	\$42.07
Armed Officer	\$38.90	\$39.59	\$40.56	\$41.53	\$42.49	\$43.45	\$44.47
ADA Observer	\$33.86	\$34.56	\$35.55	\$36.53	\$37.52	\$38.50	\$39.40
Badging Clerk	\$39.83	\$40.52	\$41.49	\$42.45	\$43.41	\$44.36	\$45.41
Armed Supervisor	\$41.50	\$42.17	\$43.13	\$44.09	\$45.05	\$45.99	\$47.08

**Table 2 – Estimated Yearly Hours per Contract Year**

Contract Year Totals	Contract Year (April 1 - March 31)						Total
	Initial 1	Initial 2	Initial 3	Option 1	Option 2	Option 3	
Unarmed Officer	126,860	126,860	126,860	126,860	126,860	126,860	761,160
Video Surveillance	30,836	30,836	30,836	30,836	30,836	30,836	185,016
Security Console	8,736	8,736	8,736	8,736	8,736	8,736	52,416
Mobile Patrol	29,536	38,584	41,600	41,600	41,600	41,600	234,520
Armed Officer	28,756	28,756	28,756	28,756	28,756	28,756	172,536
ADA Observer	4,368	4,368	4,368	4,368	4,368	4,368	26,208
Badging Clerk	2,080	2,080	2,080	2,080	2,080	2,080	12,480
Armed Supervisor	2,080	2,080	2,080	2,080	2,080	2,080	12,480
<b>Totals</b>	<b>233,252</b>	<b>242,300</b>	<b>245,316</b>	<b>245,316</b>	<b>245,316</b>	<b>245,316</b>	<b>1,456,316</b>

**Table 3 – Estimated Yearly Cost per Contract Year**

Contract Year Totals	Contract Year (April 1 - March 31)						Totals
	Initial 1	Initial 2	Initial 3	Option 1	Option 2	Option 3	
Unarmed Officer	\$4,485,688	\$4,583,686	\$4,708,417	\$4,832,485	\$4,956,717	\$5,078,941	\$28,645,934
Video Surveillance	\$1,131,274	\$1,154,941	\$1,185,105	\$1,215,108	\$1,245,151	\$1,274,981	\$7,206,560
Security Console	\$320,496	\$327,201	\$335,746	\$344,246	\$352,758	\$361,209	\$2,041,656
Mobile Patrol	\$1,083,582	\$1,445,876	\$1,598,793	\$1,639,269	\$1,679,799	\$1,720,042	\$9,167,360
Armed Officer	\$1,123,676	\$1,145,487	\$1,173,358	\$1,201,078	\$1,228,836	\$1,256,856	\$7,129,290
ADA Observer	\$148,651	\$152,047	\$156,364	\$160,658	\$164,957	\$169,148	\$951,826
Badging Clerk	\$83,211	\$84,782	\$86,790	\$88,788	\$90,789	\$92,821	\$527,181
Armed Supervisor	\$86,663	\$88,220	\$90,216	\$92,201	\$94,188	\$96,231	\$547,718
<b>Totals</b>	<b>\$8,463,241</b>	<b>\$8,982,238</b>	<b>\$9,334,789</b>	<b>\$9,573,833</b>	<b>\$9,813,194</b>	<b>\$10,050,229</b>	<b>\$56,217,525</b>
Contingency @ 5%							<b>\$2,810,876</b>
<b>Total Not to Exceed</b>							<b>\$59,028,401</b>

## Appendix C-1

### Prevailing Wage, Hours, and Related Information for Security Employees

Administrative Code Sections 21.C.7 and 21C.11 require that prevailing wage rates be paid for Security Guard Services. The chart below presents the prevailing hourly wage rate and fringe benefits required for Security Guard Services at any facility or any property owned or leased by the City. The information is based on the Collective Bargaining Agreement (CBA) between Allied Universal Security Services, G4S Secure Solutions (USA) Inc., Securitas Security Services USA, Inc., U.S. Security Associates, Cypress Security, Professional Technical Security Services, Inc., and ProGuard Private Security and Services Employees International Union, United Services Workers West in effect from August 5, 2017 through June 30, 2021. The chart does NOT include all the information contained in the CBA.

Rates Effective 1/1/2020 to 12/31/2020

Classification	EMPLOYER PAYMENTS				Holidays 8/Year	STRAIGHT-TIME		OVERTIME HOURLY RATE	
	A. Hourly Rate	B. Health & Welfare	C. Vacation (varies at years 1, 3, 6, & 15)			HOURS	TOTAL HOURLY RATE	1.5 X	2X
Security Officer 1 start 1.1.2020 or after	\$16.25	\$4.16	\$0.31	\$0.50	8	\$21.22	\$28.85	\$36.97	
Security Officer 2 start 1.1.2019 or after	\$16.30	\$4.16	\$0.31	\$0.50	8	\$21.28	\$28.92	\$37.07	
Security Officer 3 start 1.1.2018 or after	\$16.45	\$4.16	\$0.32	\$0.51	8	\$21.43	\$29.16	\$37.38	
Security Officer 4 start 9.1.2017 or prior	\$16.65	\$4.16	\$0.64	\$0.51	8	\$21.96	\$29.78	\$38.10	

**Footnotes**

- A. Security Officer progression rate depends on start date
- B. Health and Welfare Rates are subject to change. Single employee contributions begin at 90 days of service; dependent benefits begin with 3 years. Calculated hourly amounts are: employee \$4.16 and capped at \$721.05 monthly, employee + 1 = \$7.59 and capped at \$1,315.58 monthly, employer + 2 or more = \$10.46 and capped at \$1,813.03 monthly.
- C. Vacation rates at 1, 3, 6, and 15 years

Vacation Values	1 Year	3 Years	6 Years	15 Years
Security Officer 1	\$0.31	\$0.63	\$0.94	\$1.25
Security Officer 2	\$0.31	\$0.63	\$0.94	\$1.25
Security Officer 3	\$0.32	\$0.63	\$0.95	\$1.27
Security Officer 4	\$0.32	\$0.64	\$0.96	\$1.28

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Rates effective 1/1/2021 until superseded by a new determination approved by the San Francisco Board of Supervisors.

Classification	EMPLOYER PAYMENTS			STRAIGHT-TIME		OVERTIME HOURLY RATE		
	A. Hourly Rate	B. Health & Welfare	C. Vacation (varies at years 1, 3, 6, & 15)	Holidays 8/Year	HOURS	TOTAL HOURLY RATE	1.5 X	2 X
Security Officer 1 start 1.1.2021 or after	\$16.70	\$4.16	\$0.32	\$0.51	8	\$21.70	\$29.53	\$37.88
Security Officer 2 start 1.1.2020 or after	\$16.65	\$4.16	\$0.32	\$0.51	8	\$21.64	\$29.46	\$37.78
Security Officer 3 start 1.1.2019 or after	\$16.70	\$4.16	\$0.32	\$0.51	8	\$21.70	\$29.53	\$37.88
Security Officer 4 start 1.1.2018 or after	\$16.85	\$4.16	\$0.65	\$0.52	8	\$22.18	\$30.09	\$38.51
Security Officer 5 start date 9/1/2017 or prior	\$17.05	\$4.16	\$0.66	\$0.52	8	\$22.39	\$30.40	\$38.92

**Footnotes**

A. Security Officer progression rates depends on start date.

B. Health and Welfare Rates are subject to change. Single employee contributions begin at 90 days of service; dependent benefits begin with 3 years. Calculated hourly amounts are: employee \$4.16 and capped at \$721.05 monthly, employee + 1 = \$7.59 and capped at \$1,315.58 monthly, employee + 2 or more = \$10.46 and capped at \$1,813.03 monthly.

C. Vacation rates at 1, 3, 6, and 15 years

Vacation Values	1 Year	3 Years	6 Years	15 Years
Security Officer 1	\$0.32	\$0.64	\$0.96	\$1.28
Security Officer 2	\$0.32	\$0.64	\$0.96	\$1.28
Security Officer 3	\$0.32	\$0.64	\$0.96	\$1.28
Security Officer 4	\$0.32	\$0.65	\$0.97	\$1.30
Security Officer 5	\$0.33	\$0.66	\$0.98	\$1.31

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Appendix C-2

Prevailing Wage, Information for Retained Employees under Agreement SFMTA-2015-31

Employee	Title	2020 Regular Rate
1	Badging	\$23.60
2	VSP	\$23.00
3	Armed Supervisor	\$23.00
4	Armed	\$21.95
5	Armed	\$21.95
6	Armed	\$21.95
7	Unarmed	\$21.55
8	Subcontractor	\$21.00
9	Subcontractor	\$21.00
10	Subcontractor	\$21.00
11	Subcontractor	\$21.00
12	Subcontractor	\$21.00
13	Subcontractor	\$21.00
14	Subcontractor	\$21.00
15	Subcontractor	\$21.00
16	Subcontractor	\$21.00
17	Armed	\$19.90
18	Armed	\$19.90
19	Armed	\$19.90
20	Armed	\$19.90

Employee	Title	2020 Regular Rate
21	Armed	\$19.90
22	Armed	\$19.90
23	Armed	\$19.90
24	Mobile Patrol	\$19.65
25	Armed	\$19.50
26	Armed	\$19.50
27	Armed	\$19.50
28	Armed	\$19.50
29	Armed	\$19.50
30	Armed	\$19.50
31	Unarmed	\$19.50
32	Unarmed	\$19.50
33	Mobile Patrol	\$19.00
34	Subcontractor	\$19.00
35	Subcontractor	\$19.00
36	Subcontractor	\$19.00
37	Subcontractor	\$19.00
38	Subcontractor	\$19.00
39	Unarmed	\$18.65
40	Unarmed	\$18.56

Employee	Title	2020 Regular Rate
41	Subcontractor	\$18.50
42	Subcontractor	\$18.50
43	SOC	\$18.40
44	SOC	\$18.40
45	Unarmed	\$18.25
46	SOC	\$18.00
47	SOC	\$18.00
48	SOC	\$18.00
49	Mobile Patrol	\$18.00
50	Mobile Patrol	\$18.00
51	Unarmed	\$18.00
52	VSP	\$18.00
53	VSP	\$18.00
54	Subcontractor	\$18.00
55	Subcontractor	\$18.00
56	Subcontractor	\$18.00
57	Subcontractor	\$18.00
58	Subcontractor	\$18.00
59	Subcontractor	\$18.00
60	Subcontractor	\$18.00

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Appendix C-2

Prevailing Wage, Information for Retained Employees under Agreement SFMTA-2015-31

Employee	Title	2020 Regular Rate
61	ADA	\$17.91
62	ADA	\$17.91
63	Unarmed	\$17.80
64	Unarmed	\$17.80
65	Unarmed	\$17.80
66	Unarmed	\$17.65
67	Unarmed	\$17.65
68	Unarmed	\$17.65
69	Unarmed	\$17.65
70	Unarmed	\$17.65
71	Unarmed	\$17.50
72	Subcontractor	\$17.50
73	Subcontractor	\$17.50
74	Subcontractor	\$17.50
75	Subcontractor	\$17.50
76	Unarmed	\$17.40
77	ADA	\$17.30
78	Subcontractor	\$17.25
79	Unarmed	\$17.00
80	Unarmed	\$17.00

Employee	Title	2020 Regular Rate
81	Unarmed	\$17.00
82	Unarmed	\$17.00
83	Unarmed	\$17.00
84	Unarmed	\$17.00
85	Unarmed	\$17.00
86	Unarmed	\$17.00
87	Unarmed	\$17.00
88	Unarmed	\$17.00
89	Unarmed	\$17.00
90	Subcontractor	\$17.00
91	Subcontractor	\$17.00
92	Subcontractor	\$17.00
93	Subcontractor	\$17.00
94	Subcontractor	\$17.00
95	Subcontractor	\$17.00
96	Subcontractor	\$17.00
97	Unarmed	\$16.65
98	ADA	\$16.60
99	Subcontractor	\$16.50
100	ADA	\$16.40

Employee	Title	2020 Regular Rate
101	ADA	\$16.25
102	Subcontractor	\$16.00
103	Subcontractor	\$16.00
104	Subcontractor	\$16.00
105	Subcontractor	\$16.00

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**Appendix D**  
**Security Guard Shift Schedule**

**1. Unarmed Service Schedule**

Unit 1	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Field Supervisor	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500
	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300
	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700
Unit 1 Patrol	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500
Location 2	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Location 2 Supervisor	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500
	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300
	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700

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Location 3	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Site Supervisor		0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	
Foot Patrol	0700 - 1500						0700 - 1500
	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300
	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700
Post A	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500
	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300
	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700
Post B	0500 - 1300						0500 - 1300
	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500
Post C	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500
	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300
	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700
Location 4	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Foot Patrol	0500 - 1300						0500 - 1300
	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500

Location 5	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Unit B	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500
	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300
	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700
Location 6	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Foot Patrol	0500 - 1300						0500 - 1300
	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500
Location 7	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Foot Patrol (Unit A)	0500 - 1300						0500 - 1300
	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500
Foot Patrol (Unit B)	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500
Location 8	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Foot Patrol	0500 - 1300						0500 - 1300
	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500

Location 9	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	0500 - 1300						0500 - 1300
Foot Patrol	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500
Location 10	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	0500 - 1300						0500 - 1300
Foot Patrol (Unit A)	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500
Foot Patrol (Unit B)	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500
Location 11	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500
Foot Patrol	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300
	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700
Location 12	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	0500 - 1300						0500 - 1300
Foot Patrol	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500

Unit 13	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Foot Patrol	0600 - 1400	0400 - 1200	0400 - 1200	0400 - 1200	0400 - 1200	0400 - 1200	0600 - 1400
		1200 - 2000	1200 - 2000	1200 - 2000	1200 - 2000	1200 - 2000	
	1800 - 0200	1800 - 0200	1800 - 0200	1800 - 0200	1800 - 0200	1800 - 0200	1800 - 0200
Unit 14	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500
	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300	1500 - 2300
	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700	2300 - 0700
Clerk 15	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		0800 - 1630	0800 - 1630	0800 - 1630	0800 - 1630	0800 - 1630	

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**2. Armed Service Schedule**

Position	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Supervisor		0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	
Unit 1	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	
Unit 2	1430 - 2230	1430 - 2230	1430 - 2230	1430 - 2230	1430 - 2230	1430 - 2230	1430 - 2230
Unit 3	1430 - 2230	1430 - 2230	1430 - 2230	1430 - 2230	1430 - 2230	1430 - 2230	1430 - 2230
Location 4	0700 - 1500 1300 - 2100						
Location 5	0700 - 1500 1300 - 2100						
Location 6	0700 - 1500 1300 - 2100						
Location 7	0900 - 1700	0900 - 1700	0900 - 1700	0900 - 1700	0900 - 1700	0900 - 1700	0900 - 1700
Unit 8	0900 - 1700 1100 - 1900						0900 - 1700 1100 - 1900

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## Appendix E

### Fees for SFMTA's Federally Mandated Drug and Alcohol Testing Program

<b>Pre-Employment Drug Test</b>	\$35	\$11.00	\$3.50	\$49.50
<b>Random &amp; Follow-Up Drug Test</b>	\$45	\$11.00	\$3.50	\$59.50
<b>Alcohol Test</b>	\$45	N/A	N/A	\$45
<b>Reasonable Suspicion &amp; Return-to-Duty Drug &amp; Alcohol Tests</b>	\$98	\$11.00	\$3.50	\$112.50
<b>Reasonable Suspicion &amp; Return-to-Duty (After Hours) Drug &amp; Alcohol Tests</b>	\$200	\$11.00	\$3.50	\$214.50

The drug and alcohol testing requirements include, but are not limited to:

- Testing for alcohol, by means of a EBT (Evidentiary Breath Testing) Device
- Testing for DOT 5-panel (cocaine, marijuana, amphetamines, PCP, and opioids as drugs as required under 49 CFR Part 40) drugs by means of urine specimen
- Six types of testing: pre-employment, random, post-accident, reasonable suspicion, return-to-duty, and follow-up
- Adoption of a policy explaining the various testing requirements, including procedures and the consequences for those employees who test positive. The policy must be distributed to all of the contractor's safety-sensitive employees. Training of all safety-sensitive employees. Each safety-sensitive employee will need a minimum of one hour of training on the effects and consequences of prohibited drug use and on the signs and symptoms indicating prohibited drug use. Supervisors who may make reasonable suspicion determinations need and additional two hours of training on the indicators of probable drug use and alcohol misuse.
- Referral of employees who test positive to a Substance Abuse Professional
- Record-keeping and reporting. The regulations include requirements for retention of records and annual reporting of drug and alcohol testing information by SFMTA to FTA.
- As to any applicant who applies for a safety-sensitive position, obtaining information from employers regulated by the U.S. Department of Transportation that have employed the applicant during any period within the prior two years of the date of the application.
- Provision of a list of current safety-sensitive employees whose duties include work under an SFMTA account to the SFMTA Substance Abuse Program at the end of each month.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. 191203-151

WHEREAS, The SFMTA has facilities throughout the City (including transit stations, vehicle storage yards and service centers) and collects more than \$61 million in cash and an additional \$169 million in annual revenue from transit fares, citation payments, and the sale of various fare media; and,

WHEREAS, Armed and unarmed security guard services are needed to act as a first deterrent for inappropriate activity, ensure the safety of SFMTA personnel, protect SFMTA property and the public, and guard against vandalism; and

WHEREAS, With the current security guard services agreement due to expire on March 31, 2020, the SFMTA Board approved issuance of a Request for Proposals (RFP) for a new contract on October 16, 2018; the Agency issued the RFP on October 17, 2018; and,

WHEREAS, The Agency received four Proposals in response to the RFP: from Allied Universal, American Guard Services, Cypress Private Security (Cypress), and National Security Industries & Services; Cypress was the highest-ranked responsive and responsible proposer; and,

WHEREAS, On June 5, 2019, Cypress notified the SFMTA that Universal Protection Service, LP, dba Allied Universal Security Services (Allied Universal) intended to purchase all of the assets of Cypress and that all Cypress employees assigned to work on the proposed Contract with SFMTA would become Allied Universal employees; and,

WHEREAS, Allied Universal sought approval of the acquisition of Cypress from the SFMTA and submitted written confirmation that it would honor all services, pricing and LBE firm submissions as stated in the Cypress proposal, as well as the terms of the existing collective bargaining agreement and prevailing wage and employee retention requirements per Administrative Code Sections 21.C.7 and 21.C.11C for security guard services; and,

WHEREAS, To effectuate the assignment, the SFMTA, Cypress and Allied Universal executed a Novation Agreement; and,

WHEREAS, The proposed Contract contains approximately 200,000 hours of unarmed guard services annually and will eventually increase to 215,000 hours to support the operations of the Central Subway; and,

WHEREAS, Services under the proposed Contract include on- and off-site management as required to plan, schedule, perform, and manage security personnel deployments; maintain appropriate staffing levels, submit reports, attend meetings, and provide uniforms and equipment; and,

WHEREAS, The SFMTA's Contract Compliance Office determined that Allied Universal will comply with the 20% Local Business Enterprise (LBE) goal in the new Contract; and,

WHEREAS, Under Charter Section 10.104.15, the Controller, biannually with submission of the budget, has certified, and the Board of Supervisors has approved, that security services can practically be performed by a private contractor at a lower cost than if similar work were performed by City employees; and,

WHEREAS, On November 8, 2019, the SFMTA, under authority delegated by the Planning Department, determined that the for the Security Guard Services is not a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Section 15060(c) and 15378(b); the determination also applies to the agreement generated from this RFP; and,

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

WHEREAS, Pursuant to San Francisco Charter Section 9.118, approval of the Board of Supervisors approval is required for contracts with expenditures in excess of \$10 million; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors authorizes the Director of Transportation to execute SFMTA Contract No. 2018-48 Armed and Unarmed Security Guard Services with Universal Protection Service, LP, dba Allied Universal Security Services, to act as a first deterrent for inappropriate activity, ensure the safety of personnel, protect property and the public, and guard against vandalism, in an amount not to exceed \$59,028,401 for a three-year term, with three options to extend the Contract for one year each at the discretion of the Director of Transportation; and, be it further

RESOLVED, That the SFMTA Board recommends that the Board of Supervisors approve SFMTA Contract No. 2018-48 for Armed and Unarmed Security Guard Services with Universal Protection Service, LP, dba Allied Universal Security Services.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of December 3, 2019.

  
\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency



## SFMTA Contract No. 2018-48: Armed and Unarmed Security Guard Services

The San Francisco Municipal Transportation Agency proposes to execute SFMTA Contract No. 2018-48: Armed and Unarmed Security Guard Services, with Universal Protection Service, LP, dba Allied Universal Security Services, in an amount of approximately \$59,000,000 for a three-year term, with three options to extend the Contract for one year each at the discretion of the Director of Transportation; and recommending approval of the Contract by the Board of Supervisors.

Services under the proposed Contract include on- and off-site management as required to plan, schedule, perform, and manage security personnel deployments, maintain appropriate staffing levels, submit reports, attend meetings, and provide uniforms and equipment.

Not a "project" pursuant to CEQA as defined in CEQA Guidelines Sections 15060(c) and 15378(b) because the action would not result in a direct or a reasonably foreseeable indirect physical change to the environment.

A handwritten signature in black ink, appearing to read 'Andrea Contreras', is written over a horizontal line.

Nov 8, 2019

Andrea Contreras Date  
San Francisco Municipal Transportation Agency

OFFICE OF THE MAYOR  
SAN FRANCISCO



LONDON N. BREED  
RECEIVED  
MAYOR  
BOARD OF SUPERVISORS  
SAN FRANCISCO

2020 JAN 28 PM 4:19

*JK*

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Sophia Kittler  
RE: Agreement for Armed and Unarmed Security Guard Services  
DATE: Tuesday, January 28, 2020

---

*SK*

**Resolution approving the award of San Francisco Municipal Transportation Agency (SFMTA) Contract No. 2018-48 for Armed and Unarmed Security Guard Services with Universal Protection Service, LP, dba Allied Universal Security Services, in an amount not to exceed \$59,028,401 for a three-year term, with three options to extend the Contract for one year each at the discretion of the Director of Transportation; and affirming the Planning Department's determination under the California Environmental Quality Act.**

Should you have any questions, please contact Sophia Kittler at 415-554-6153.

1 DR. CARLTON B. GOODLETT PLACE, ROOM 200  
SAN FRANCISCO, CALIFORNIA 94102-4681  
TELEPHONE: (415) 554-6141



London Breed, Mayor

Malcolm Heinicke, Chair  
Gwyneth Borden, Vice Chair  
Cheryl Brinkman, Director  
Amanda Eaken, Director

Steve Heminger, Director  
Cristina Rubke, Director  
Art Torres, Director

Jeffrey Tumlin, Director of Transportation

February 6, 2020

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

***Subject: Authorizing the San Francisco Municipal Transportation Agency to Enter into an Agreement with Allied Universal for Armed and Unarmed Security Guard Services.***

Honorable Members of the Board of Supervisors:

The SFMTA is submitting for your consideration information to support a resolution to authorize the Director of Transportation to execute SFMTA Contract No. 2018-48 Armed and Unarmed Security Guard Services with Universal Protection Service, LP, dba Allied Universal Security Services, to act as a first deterrent for inappropriate activity, ensure the safety of personnel, protect property and the public, and guard against vandalism, in an amount not to exceed \$59,028,401 for a three-year term, with three options to extend the Contract for one year each.

#### **Background**

The SFMTA collects more than \$61 million in cash and an additional \$169 million in annual revenue from transit fares, citation payments, and the sale of various fare media. The Agency also has facilities throughout the City, including transit stations, vehicle storage yards and service centers. These facilities require the services of armed and unarmed security guards to act as a first deterrent for inappropriate activity, ensure the safety of SFMTA personnel, protect SFMTA property and the public, and guard against vandalism.

The SFMTA's Chief Security Officer oversees all security-related services with the assistance of a security guard services contractor who provides personnel for various security-related functions. The current agreement with Cypress Security will expire on March 31, 2020. The SFMTA Board approved issuance of a Request for Proposals and received four proposals, with Cypress Security as the highest-ranked responsive and responsible proposer, and a Local Business Enterprise (LBE) goal of 20 percent.

The SFMTA was subsequently notified that Allied Universal acquired all Cypress assets and all Cypress employees assigned to work on the proposed Contract would become Allied Universal

employees. The SFMTA, Cypress, and Allied Universal secured a Novation Agreement in November 2019 for Allied Universal to assume the obligations and liabilities of Cypress in the existing contract, and Allied Universal agreed to assume the obligations of Cypress' proposal for the new agreement.

On December 3, 2019 the SFMTA Board of Directors approved the proposed agreement for an amount not to exceed \$59,028,401.



**Proposed Contract Services**

Under the new agreement the contractor will be responsible for: providing on- and off-site management as required to plan, schedule, perform, and manage security personnel deployments; delivering staffing required to support services required: providing reports and attending meetings; supplying all uniforms and equipment; adhering to all applicable laws, rules, regulations, and procedures; and payment of prevailing wages for staff assigned to the agreement. The full Scope of Work is described in Appendix A (Scope of Services) of the proposed Contract.

Armed security guard services are needed for Ballpark detail, fare collection, MUNI pass sales at four locations and transit vending machine collections. Unarmed security guard services currently exist at twenty SFMTA facilities and nine subway platforms throughout the City. As part of the preparation for the new agreement, the Chief Security Officer (CSO) evaluated protection coverage under the current agreement. The evaluation revealed that there was an inadequate number of security personnel in relation to the size of facilities (e.g., one security guard for nine subway platforms), lack of 24/7 coverage, and security issues at many of the Agency’s facilities (e.g., homeless encampments, trespassing, subway delays due to intruders on trackway).

As a result of the evaluation, the CSO recommended that an additional 46,000 annual hours of unarmed guard services are required to provide adequate coverage. The proposed Contract contains approximately 200,000 hours of unarmed guard services annually and will eventually increase to 215,000 hours to support the operations of the Central Subway, as shown in Table 1 below.

**Table 1 – Estimated Yearly Hours per Contract Year (April 1 – March 31)**

<b>Contract Year Totals</b>	<b>Initial 1</b>	<b>Initial 2</b>	<b>Initial 3</b>	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Total</b>
<b>Unarmed Officer</b>	126,860	126,860	126,860	126,860	126,860	126,860	761,160
<b>Video Surveillance</b>	30,836	30,836	30,836	30,836	30,836	30,836	185,016
<b>Security Console</b>	8,736	8,736	8,736	8,736	8,736	8,736	52,416
<b>Mobile Patrol</b>	29,536	38,584	41,600	41,600	41,600	41,600	234,520
<b>Armed Officer</b>	28,756	28,756	28,756	28,756	28,756	28,756	172,536
<b>ADA Observer</b>	4,368	4,368	4,368	4,368	4,368	4,368	26,208
<b>Badging Clerk</b>	2,080	2,080	2,080	2,080	2,080	2,080	12,480
<b>Armed Supervisor</b>	2,080	2,080	2,080	2,080	2,080	2,080	12,480
<b>Totals</b>	<b>233,252</b>	<b>242,300</b>	<b>245,316</b>	<b>245,316</b>	<b>245,316</b>	<b>245,316</b>	<b>1,456,816</b>

In January of 2020, the San Francisco Muni Reliability Working Group recommended that the SFMTA make investments to improve safety for riders and employees and security for its facilities and fleet. Specifically, the recommendation included funding the expansion of the Agency’s existing security contract.



**Funding Impact**

The proposed Contract reflects an average increase of approximately 29% in cost from the current contract. Without increasing the current coverage, the annual increase would be approximately 2.44%, which is related to union salary and fringe benefit increases. Funding for the first two years of this Contract is provided in the proposed two-year (FY2021 and FY2022) operating budgets in the amounts of \$8.5 million and \$9.2 million, respectively. The total Contract amount for three years and three one-year options would be \$59,028,401. Budget projections are summarized in Table 2.

**Table 2 – Contract Budget Projections (Amounts reflect Contract year: April 1 – March 31)**

Contract Year Totals	Initial 1	Initial 2	Initial 3	Option 1	Option 2	Option 3	Totals
Unarmed Officer	\$4,485,688	\$4,583,686	\$4,708,417	\$4,832,485	\$4,956,717	\$5,078,941	\$28,645,934
Video Surveillance	\$1,131,274	\$1,154,941	\$1,185,105	\$1,215,108	\$1,245,151	\$1,274,981	\$7,206,560
Security Console	\$320,496	\$327,201	\$335,746	\$344,246	\$352,758	\$361,209	\$2,041,656
Mobile Patrol	\$1,083,582	\$1,445,876	\$1,598,793	\$1,639,269	\$1,679,799	\$1,720,042	\$9,167,360
Armed Officer	\$1,123,676	\$1,145,487	\$1,173,358	\$1,201,078	\$1,228,836	\$1,256,856	\$7,129,290
ADA Observer	\$148,651	\$152,047	\$156,364	\$160,658	\$164,957	\$169,148	\$951,826
Badging Clerk	\$83,211	\$84,782	\$86,790	\$88,788	\$90,789	\$92,821	\$527,181
Armed Supervisor	\$86,663	\$88,220	\$90,216	\$92,201	\$94,188	\$96,231	\$547,718
<b>Totals</b>	<b>\$8,463,241</b>	<b>\$8,982,238</b>	<b>\$9,334,789</b>	<b>\$9,573,833</b>	<b>\$9,813,194</b>	<b>\$10,050,229</b>	<b>\$56,217,525</b>
Contingency @ 5%							\$2,810,876
<b>Total Not to Exceed</b>							<b>\$59,028,401</b>



**Environmental Review**

On November 8, 2019, the SFMTA, under authority delegated by the Planning Department, determined that the Armed and Unarmed Security Services Agreement is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

**Recommendation**

In order to have an effective deterrent for inappropriate activity, ensure the safety of personnel, protect property and the public, and guard against vandalism the SFMTA recommends that the Board of Supervisors approve the Director of Transportation to execute SFMTA Contract No. 2018-48 Armed and Unarmed Security Guard Services with Universal Protection Service, LP, dba Allied Universal Security Services, in an amount not to exceed \$59,028,401 for a three-year term, with three options to extend the Contract for one year each.

Thank you for your consideration of the proposed agreement. Should you have any questions or require more information, please contact Kimberly Burrus [415-646-4322] and/or Viktoriya Wise [415-646-2377].

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeffrey Tumlin'.

Jeffrey Tumlin  
Director of Transportation



**San Francisco Ethics Commission**

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102  
 Phone: 415.252.3100 . Fax: 415.252.3112  
[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #:  
200090

Bid/RFP #:

**Notification of Contract Approval**

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

1. FILING INFORMATION	
TYPE OF FILING	DATE OF ORIGINAL FILING (for amendment only)
original	
AMENDMENT DESCRIPTION – Explain reason for amendment	

2. CITY ELECTIVE OFFICE OR BOARD	
OFFICE OR BOARD	NAME OF CITY ELECTIVE OFFICER
Board of Supervisors	Members

3. FILER'S CONTACT	
NAME OF FILER'S CONTACT	TELEPHONE NUMBER
Angela Calvillo	415-554-5184
FULL DEPARTMENT NAME	EMAIL
Office of the Clerk of the Board	Board.of.Supervisors@sfgov.org

4. CONTRACTING DEPARTMENT CONTACT	
NAME OF DEPARTMENTAL CONTACT	DEPARTMENT CONTACT TELEPHONE NUMBER
Janet Martinsen	415.646.2302
FULL DEPARTMENT NAME	DEPARTMENT CONTACT EMAIL
MTA Municipal Transportation Agency	Janet.Martinsen@sfmta.com

5. CONTRACTOR	
NAME OF CONTRACTOR Allied Universal Services	TELEPHONE NUMBER 415.926.6405
STREET ADDRESS (including City, State and Zip Code) 545 Samsone Ste 600, San Francisco, CA 94111	EMAIL Eric.Mcgarty@aus.com

6. CONTRACT		
DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)	ORIGINAL BID/RFP NUMBER	FILE NUMBER (If applicable) 200090
DESCRIPTION OF AMOUNT OF CONTRACT \$59,028,401		
NATURE OF THE CONTRACT (Please describe) The SFMTA collects more than \$61 million in cash and an additional \$169 million in annual revenue from transit fares, citation payments, and the sale of various fare media. The Agency also has facilities throughout the City, including transit stations, vehicle storage yards and service centers. The proposed agreement will provide armed and unarmed security guards to act as a first deterrent for inappropriate activity, ensure the safety of SFMTA personnel, protect SFMTA property and the public, and guard against vandalism.		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Jones	Steven	CEO
2	Vollero	Drew	CFO
3	Buckman	David I.	Other Principal Officer
4			
5			
6			
7			
8			
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11			
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of: (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
20			
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
39			
40			
41			
42			
43			
44			
45			
46			
47			
48			
49			
50			
<input type="checkbox"/>	Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.		

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

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

SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK

DATE SIGNED

BOS Clerk of the Board





SFMTA

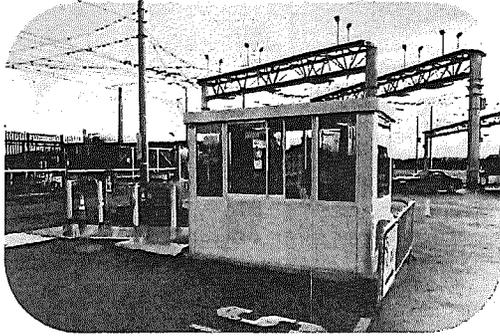
# Security Contract

Budget and Finance Committee  
February 26, 2020

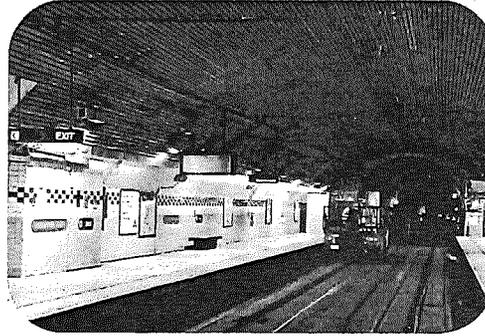
File # 200070  
Received in Committee - 2/26/20  
js

Improving Transit Security

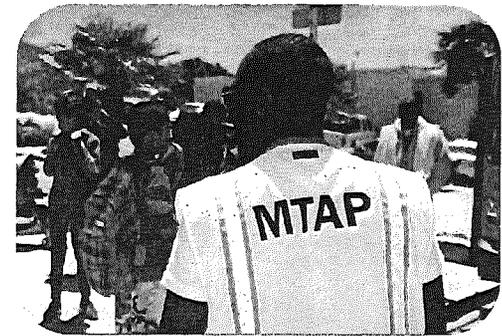
# Multi-Tiered Approach



**Contract  
Security**



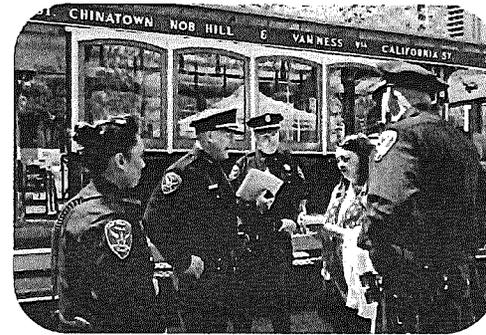
Capital  
Improvements



Muni Transit  
Assistance Program



Staff  
Training



SFPD  
Partnership

1100

# SFMTA Security Concerns

The Agency is vulnerable in many of our yards, the subway, and other facilities

- Personal safety of employees
  - Individuals trespassing inside of facilities (bathrooms, locker rooms, sleeping in stairwells)
  - Assaults on Subway Station Agents and Operators
  - Yard entrances are not always closed and secured
  - Need additional security to patrol while other remain at gates
  
- Homeless encampments around the Divisions
  - Health concerns (syringes, feces and garbage debris)
  - Confrontations with individuals with mental health issues
  - Defecating inside facilities and work vehicles
  - Unsafe walking to and from work locations
  
- Personal vehicle break-ins
  
- Subway delay caused by intruders on the trackway

1101

# Contract Overview

Vendor

Universal Protection Service, LP dba Allied Universal Security Services

Contract Amount

not-to-exceed \$28,119,281 for the initial three-year term (\$59,028,401 if the three one-year options are exercised)

Term

Three years, with three options to extend for one year each at the discretion of the Director of Transportation

Funding Source

FY2021 and FY2022 Operating budget

1102

# Proposed Contract in Detail

## Estimated Annual Hours by Position

Position	Year 1	Year 2	Year 3	Option Year 1	Option Year 2	Option Year 3	Total
<b>Unarmed Officer</b>	126,860	126,860	126,860	126,860	126,860	126,860	<b>761,160</b>
<b>Video Surveillance</b>	30,836	30,836	30,836	30,836	30,836	30,836	<b>185,016</b>
<b>Security Console</b>	8,736	8,736	8,736	8,736	8,736	8,736	<b>52,416</b>
<b>Mobile Patrol</b>	29,536	38,584	41,600	41,600	41,600	41,600	<b>234,520</b>
<b>Armed Officer</b>	28,756	28,756	28,756	28,756	28,756	28,756	<b>172,536</b>
<b>ADA Observer</b>	4,368	4,368	4,368	4,368	4,368	4,368	<b>26,208</b>
<b>Badging Clerk</b>	2,080	2,080	2,080	2,080	2,080	2,080	<b>12,480</b>
<b>Armed Supervisor</b>	2,080	2,080	2,080	2,080	2,080	2,080	<b>12,480</b>
<b>Total</b>	<b>233,252</b>	<b>242,300</b>	<b>245,316</b>	<b>245,316</b>	<b>245,316</b>	<b>245,316</b>	<b>1,456,816</b>

**Current staffing hours = 187,076**

**Year 1 staffing hours = 233,252**

**Increase in hours = 46,176 hours (25 percent)**

1103

# Proposed Contract in Detail

## Estimated Annual Expenditures by Position

Position	Year 1	Year 2	Year 3	Option Year 1	Option Year 2	Option Year 3	Total
Unarmed Officer	\$4,485,688	\$4,583,686	\$4,708,417	\$4,832,485	\$4,956,717	\$5,078,941	\$28,645,934
Video Surveillance	1,131,274	1,154,941	1,185,105	1,215,108	1,245,151	1,274,981	7,206,560
Security Console	320,496	327,201	335,746	344,246	352,758	361,209	2,041,656
Mobile Patrol	1,083,582	1,445,876	1,598,793	1,639,269	1,679,799	1,720,042	9,167,360
Armed Officer	1,123,676	1,145,487	1,173,358	1,201,078	1,228,836	1,256,856	7,129,290
ADA Observer	148,651	152,047	156,364	160,658	164,957	169,148	951,826
Badging Clerk	83,211	84,782	86,790	88,788	90,789	92,821	527,181
Armed Supervisor	86,663	88,220	90,216	92,201	94,188	96,231	547,718
Labor Subtotal	\$8,463,241	\$8,982,238	\$9,334,789	\$9,573,833	\$9,813,194	\$10,050,229	\$56,217,525
Contingency (5%)	423,162	449,112	466,739	478,692	490,660	502,511	2,810,876
Total	\$8,886,403	\$9,431,350	\$9,801,528	\$10,052,525	\$10,303,854	\$10,552,740	\$59,028,400

**Current annual cost = \$6.7M**

**Proposed annual cost = \$8.5M – \$10M**

**Average increase = approximately 29%**

1104

# Why Approve the Contract?

- The Agency is vulnerable in many of our yards, the subway, and other facilities.
  
- Muni Reliability Working Group recommended investments to improve safety for riders and employees and security for our facilities and fleet.
  
- The security contract:
  - Increases safety for employees
  - Increases customer safety and minimize subway delays due to tunnel intrusions
  - Only increases unarmed services (armed service hours will stay the same)
  - Provides training for guards

# Thank you

