

1 [Contract Agreement - Universal Protection Service, LP, dba Allied Universal Security
2 Services - Armed and Unarmed Security Guard Services - \$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 \$59,028,401 for a three-year term to commence on the effective date following**
7 **Board approval, with three one-year options to extend at the discretion of the Director**
8 **of Transportation; and affirming the SFMTA determination under the California**
9 **Environmental Quality Act.**

10
11 WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) has
12 facilities throughout the City (including transit stations, vehicle storage yards and service
13 centers) and collects more than \$61 million in cash and an additional \$169 million in annual
14 revenue from transit fares, citation payments, and the sale of various fare media; and

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

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

21 WHEREAS, Four firms responded to the RFP on December 7, 2018, and the
22 evaluation committee ranked Cypress Security as the highest responsive and responsible
23 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
14 of 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. 200090; 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 \$59,028,401 for a three-year term, with three options to extend the
22 Contract for one year each at the discretion of the Director of Transportation; and, be it

23 FURTHER RESOLVED, That this Board affirms the SFMTA’s determination that
24 Security Guard Services Agreement is not a “project” under CEQA, pursuant to Title 14 of the
25 California Code of Regulations, Sections 15060(c) and 15378; and, be it

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

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

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