

File No. 260134

Committee Item No. 2

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date March 4, 2026

Board of Supervisors Meeting Date \_\_\_\_\_

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Digest                           |
| <input checked="" type="checkbox"/> | <input 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 type="checkbox"/> | Department/Agency Cover Letter and/or Report |
|                                     |                          | • MTA Briefing Letter 2/10/2026              |
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| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Notice of Award/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 type="checkbox"/> | <u>Original Contract 4/1/2020</u>               |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Amendment No. 1 7/25/2023</u>                |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Amendment No. 2 4/8/2024</u>                 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Amendment No. 3 4/4/2025</u>                 |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>MTA CEQA Determination 1/30/2026</u>         |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>MTAB Resolution No. 191203-151 12/3/2019</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>MTA Presentation 3/4/2026</u>                |
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Completed by: Brent Jalipa Date February 26, 2026

Completed by: Brent Jalipa Date \_\_\_\_\_

1 [Contract Amendment - Universal Protection Service, LP, dba Allied Universal Security  
2 Services - Armed and Unarmed Security Guard Services - Not to Exceed \$64,940,326]

3 **Resolution approving the Fourth Amendment to Contract No. SFMTA-2018-48, Armed**  
4 **and Unarmed Security Services Agreement, between the City and County of San**  
5 **Francisco, acting by and through the Municipal Transportation Agency (SFMTA), and**  
6 **Universal Protection Service, LP, dba Allied Universal Security Services, to extend the**  
7 **term by one year from March 31, 2026, for a total term from April 1, 2020, through**  
8 **March 31, 2027; to increase the amount by \$5,911,925 for a total not to exceed amount**  
9 **of \$64,940,326; and to authorize the SFMTA to enter into any amendments or**  
10 **modifications to the agreement that do not materially increase the obligations or**  
11 **liabilities to the City and are necessary to effectuate the purposes of the agreement or**  
12 **this Resolution.**

13  
14 WHEREAS, Unarmed and Armed Guard Security Services are required to act as a first  
15 deterrent for inappropriate activity, ensure the safety of Municipal Transportation Agency  
16 (SFMTA) personnel, protect SFMTA property and the public, and guard against vandalism  
17 and other activity that could disrupt transit operations; and

18 WHEREAS, Under Charter, Section 9.118(b), contracts entered into by a department  
19 requiring anticipated expenditures by the City and County of \$10,000,000 or more or having a  
20 term in excess of ten years, and amendments to those contracts of more than \$500,000, must  
21 be approved by the Board of Supervisors by resolution; and

22 WHEREAS, On March 3, 2020, the Board of Supervisors pursuant to Charter,  
23 Section 9.118(b), and under Resolution No. 99-20, approved Contract No. 2018-48 with  
24 Universal Protection Service, LP, dba Allied Universal Security Services (Allied) for Unarmed  
25 and Armed Guard Security Services for SFMTA properties and transit facilities; and

1           WHEREAS, The contract has a three-year base term, valued at \$26,780,268 with three  
2 one-year options to extend for a total of six years, with a total not to exceed amount of  
3 \$59,028,401; and

4           WHEREAS, The SFMTA exercised the three option periods, and the contract is  
5 scheduled to expire in March 2026; and

6           WHEREAS, Due to service reductions resulting from the COVID pandemic, the SFMTA  
7 underspent the contract by \$2,990,737 and did not utilize the contingency provided in the  
8 original contract; and

9           WHEREAS, The SFMTA issued a Request for Information (RFI) to the vendor  
10 community to solicit feedback on opportunities to reduce costs while maintaining service  
11 quality, asking vendors to evaluate the impact of various operational and cost management  
12 elements, including the use of emerging technology; and

13           WHEREAS, To ensure uninterrupted delivery of critical security services while the cost-  
14 reduction redesign of the program is completed, the SFMTA wishes to extend the current  
15 contract by one year; and

16           WHEREAS, The SFMTA negotiated a 10 percent reduction in management fees for the  
17 extended term, increased service levels due to additional guard patrol requirements at Central  
18 Subway platforms, and the elimination of contract cost escalations for Non-Collective  
19 Bargaining Agreement-related billing rates for the remaining term; and

20           WHEREAS, The Parties agreed to apply the previous \$2,990,737 contract savings and  
21 \$2,010,876 in unused contingency, while retaining \$800,000 in contingency for the extended  
22 term, to offset the cost of the extension which is \$10,913,538; and

23           WHEREAS, The proposed Fourth Amendment would result in a net increase to the  
24 contract amount of \$5,911,925 to fund the increased service level requirements and extended  
25 one-year term; and

1           WHEREAS, Board of Supervisors approval is required under Charter, Section 9.118,  
2 because the amendment would increase the contract amount by more than \$500,000; and

3           WHEREAS, On January 30, 2026, the SFMTA, under authority delegated by the  
4 Planning Department, determined that the Fourth Amendment to SFMTA Contract  
5 No. 2018-48 is not a “project” under the California Environmental Quality Act (CEQA)  
6 pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b);  
7 and

8           WHEREAS, A copy of the CEQA determination is on file with the Clerk of the Board in  
9 File No. 260134, and is incorporated herein by reference; and

10           WHEREAS, On December 3, 2019, the SFMTA Board of Directors adopted Resolution  
11 No. 191203-151, authorizing the Director of Transportation to execute the Fourth Amendment  
12 to Contract No. SFMTA-2018-48 with Allied, subject to approval by the Board of Supervisors  
13 under Charter, Section 9.118; and

14           WHEREAS, The proposed Amendment contained in File No. 260134, is substantially in  
15 final form, with all material terms and conditions included, and only remains to be executed by  
16 the parties upon approval of this Resolution; now, therefore, be it

17           RESOLVED, That the Board of Supervisors hereby approves the Amendment on file  
18 with the Clerk of the Board of Supervisors in substantially the form contained in File  
19 No. 260134; and, be it

20           FURTHER RESOLVED, That the Board of Supervisors authorizes the SFMTA to make  
21 any modifications to the Amendment, prior to its final execution by all parties, that the SFMTA  
22 determines, in consultation with the City Attorney, are consistent with this Resolution, in the  
23 best interest of the City, do not materially increase the obligations or liabilities of the City, are  
24 necessary or advisable to effectuate the purposes of the Amendment or this Resolution, and  
25 are in compliance with all applicable laws, including City's Charter; and, be it

1           FURTHER RESOLVED, That the Amendment shall be subject to certification as to  
2 funds by the City's Controller, pursuant to Charter, Section 3.105; and, be it

3           FURTHER RESOLVED, That within 30 days of the document being fully executed by  
4 all parties, the final document shall be provided to the Clerk of the Board for inclusion in the  
5 official file.

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<p><b>Item 2</b> <b>File 26-0134</b></p>	<p><b>Department:</b> Municipal Transportation Agency (SFMTA)</p>
<p><b>EXECUTIVE SUMMARY</b></p>	
<p style="text-align: center;"><b>Legislative Objectives</b></p> <ul style="list-style-type: none"> <li>• The proposed resolution would approve the fourth amendment to the contract for armed and unarmed security guard services between SFMTA and Universal Protection Service, LB, dba Allied Universal Security Services (Allied). The amendment extends the term by one year, from March 31, 2026 through March 31, 2027 and increases the contract amount by \$5,911,925 from \$59,028,401 to \$64,940,326.</li> </ul> <p style="text-align: center;"><b>Key Points</b></p> <ul style="list-style-type: none"> <li>• Under the proposed amendment, Allied will continue to provide armed and unarmed security guards at SFMTA transit locations and facilities. Most locations use unarmed security guards, but armed security guards escort and protect SFMTA’s Revenue Collections and Sales staff who handle cash. The existing contract, which was last approved by the Board of Supervisors in March 2020, has a six-year term and expires in March 2026.</li> <li>• The amendment will fund an increase in annual staffing of 18,052 hours (7.4 percent) in Year 6 (April 2025 to March 2026) primarily due to additional unarmed guard requirements at Central Subway Station. Total hours for Year 7 (April 2026 to March 2027) are projected to remain consistent with Year 6.</li> <li>• SFMTA staff monitor contractor performance through monthly meetings with Allied, semiannual reports, and the assessment of liquidated damages (pre-set charges for service failures).</li> </ul> <p style="text-align: center;"><b>Fiscal Impact</b></p> <ul style="list-style-type: none"> <li>• The proposed increase in the not to exceed amount of approximately \$5.9 million reflects the additional authority needed to fund the extension year budget of \$10.5 million in combination with prior year underspending and unused contingency under the existing contract.</li> <li>• The contract is funded by the SFMTA operating budget.</li> </ul> <p style="text-align: center;"><b>Policy Consideration</b></p> <ul style="list-style-type: none"> <li>• The proposed seven-year term extends beyond the six-year term advertised in the 2018 Request for Proposals to allow additional time to evaluate cost saving strategies. SFMTA plans to issue a competitive solicitation for security guard services in Spring or Summer 2026.</li> </ul> <p style="text-align: center;"><b>Recommendation</b></p> <ul style="list-style-type: none"> <li>• Approve the proposed resolution.</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**

In March 2020, the Board of Supervisors approved a new contract between Universal Protection Service, LP, dba Allied Universal Security Services (Allied) and the San Francisco Municipal Transportation Agency (SFMTA) for a three-year term from April 2020 to March 2023 with three one-year extension options and total not to exceed amount of \$59,028,401 to provide armed and unarmed security guard services, following a competitive bid process where Allied was deemed the highest proposer<sup>1</sup> (File 20-0090). The contract has been amended three times, as shown in Exhibit 1 below. None of the amendments required Board of Supervisors’ approval because the total amount remained unchanged. MTA now proposes extending the contract by one year through March 2027.

**Exhibit 1: Previous Contract Amendments**

No.	Date	NTE	Term End	Description
Orig.	Apr 2020	\$59,028,401	3/31/23	Original agreement. Three one-year extension option.
1	July 2023	No change	3/31/24	Extended the term for one year through 3/31/24, with two one-year options remaining. Updated standard contractual clauses.
2	April 2024	No change	3/31/25	Exercised the second one-year option to extend the term to 3/31/25, with one one-year option remaining.
3	April 2025	No change	3/31/26	Exercised the third (and final) one-year option to extend the term to 3/31/26. Updated standard contractual clauses.

Source: Contract Amendments

**Controller’s Certification**

Historically, the services have been certified by the Controller's Office and approved by the Board of Supervisors as work that can be contracted out at a lower cost than similar work performed by City employees (per requirements under City Charter Section 10.104.15). In April 2024, the Controller’s Office determined these services met Charter requirements. In June 2024, the Board

<sup>1</sup> Cypress Private Security was deemed the highest scoring proposer. Allied purchased all of Cypress’s assets during negotiations in June 2019, and Cypress employees became Allied employees.

of Supervisors approved a resolution concurring with the Controller's certification allowing the SFMTA to contract with private companies for security services (File 24-0460).

## DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve the fourth amendment to the contract for armed and unarmed security guard services between SFMTA and Universal Protection Service, LB, dba Allied Universal Security Services (Allied). The amendment extends the term by one year, from March 31, 2026 through March 31, 2027 and increases the contract amount by \$5,911,925 from \$59,028,401 to \$64,940,326. The proposed resolution would also authorize SFMTA to make further immaterial amendments to the contract.

### Services

Under the proposed amendment, Allied will continue to provide: (1) security services for SFMTA facilities and transit locations, including unarmed and armed guard staffing, site patrols, Security Operations Center support through security console monitoring and video surveillance functions, special event staffing, and field observers for ADA compliance; (2) schedule, perform, and manage all security personnel deployments; (3) protection for SFMTA staff responsible for handling revenue (e.g., cash); (4) supplying all required uniforms and equipment<sup>2</sup>; and (5) proof of at least 24 hours of annual training for all security staff, who must have Security Guard Licenses issued by the State. The existing contract also specifies staffing schedules, including shifts and posts, for security staff.

Allied will provide these services at over 27 SFMTA transit locations, which include all subway, Transit Division, and Revenue Collections and Sales locations. As previously mentioned, the contract funds both armed and unarmed security guard services. In the proposed extension year, eight percent of total hours are for armed staff. Armed guards escort and protect SFMTA's Revenue Collections and Sales staff who handle revenue (e.g., cash) at eight locations citywide.

### *Subcontractors and Local Business Enterprise Requirements*

Under the contract, Allied also manages three subcontracted security companies (Black Bear Security, Treeline Security and Marina Security) to provide unarmed security services at 11<sup>3</sup> locations citywide. SFMTA states that subcontractors staff approximately 45 percent of positions.

Allied is required to utilize at least 20 percent Local Business Enterprise (LBE) subcontracting participation and has committed to achieving 27 percent for the contract. As of February 2026, Allied reports a 21.5 percent LBE achievement.

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

<sup>3</sup> Locations include the following for each subcontractor: (1) Black Bear – Woods Division, Presidio Division, Potrero Yard, (2) Treeline – 1303 Marin, 1399 Marin, Geneva Green, Kirkland, and (2) Marina – Geneva, 6<sup>th</sup> and King, Flynn Bus Yard, and Cable Car Division

**Increase in Annual Staffing Hours**

The proposed amendment will fund an increase in annual staffing of 18,052 hours (7.4 percent) for a total of 263,368 hours in Year 6 (April 2025 to March 2026) primarily due to additional unarmed security guard requirements at Central Subway Station.<sup>4</sup> The location was incorporated into the original scope of services, but the station did not open until 2023. Consequently, guard services were not deployed until then, resulting in an increase in unarmed guard staffing. Other changes include reduced video surveillance staffing needs because of changes in the service delivery model and technology, and an increase in security console monitoring hours because of expanded Security Operations Center operational responsibilities.<sup>5</sup> Total hours for Year 7 (April 2026 to March 2027) are projected to remain consistent with Year 6. According to SFMTA, total annual FTEs for Year 6 and 7 are projected to be 126.62, of which 115.87 (92 percent) are unarmed security guards and 10.75 (eight percent) are armed officers.<sup>6</sup> This is consistent with the Year 7 proposed hours shown below. Exhibit 2 below shows the proposed Year 6 service level changes and total estimated annual hours by position for the contract.

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<sup>4</sup> According to SFMTA, upon the opening of Central Subway Station in 2023, security coverage was insufficient due to the expansion from nine to twelve stations. Actual staffing levels gradually increased in FY 2023–24. The proposed fourth amendment retroactively adds hours to Year 6 to reflect the additional staffing.

<sup>5</sup> There is also a decrease in Mobile Patrol guard hours because of underutilization due to staffing constraints. Contracted hours were subsequently adjusted to align with actual usage.

<sup>6</sup> All staff are considered security guards per the Collective Bargaining Agreement.

**Exhibit 2. Estimated Annual Hours by Position**

Position	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 6 (Proposed Service Level Changes)	Year 7 (Proposed)	Total
Unarmed Officer	126,860	126,860	126,860	126,860	126,860	126,860	76,448	203,308	1,040,916
Video Surveillance	30,836	30,836	30,836	30,836	30,836	30,836	(20,020)	10,816	175,812
Security Console	8,736	8,736	8,736	8,736	8,736	8,736	2,080	10,816	65,312
Mobile Patrol	29,536	38,584	41,600	41,600	41,600	41,600	(29,952)	11,648	216,216
Armed Officer	28,756	28,756	28,756	28,756	28,756	28,756	(8,476)	20,280	184,340
ADA Observer	4,368	4,368	4,368	4,368	4,368	4,368	(2,028)	2,340	26,520
Badging Clerk	2,080	2,080	2,080	2,080	2,080	2,080	0	2,080	14,560
Armed Supervisor	2,080	2,080	2,080	2,080	2,080	2,080	0	2,080	14,560
<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>18,052</b>	<b>263,368</b>	<b>1,738,236</b>

Source: Appendix B of Proposed Contract Amendment

**Contract Extension**

The proposed amendment extends the contract beyond the initially contemplated six-year term to allow sufficient time in assessing cost saving opportunities to inform a competitive solicitation anticipated in Spring or Summer 2026. SFMTA is currently evaluating security provider responses to an October 2025 Request for Information focused on identifying operational efficiencies while maintaining service quality for armed and unarmed security guard services. The SFMTA received eight responses<sup>7</sup> to the RFI.

During the extension period, SFMTA plans to review the following areas for cost savings, with a target of reducing future contract costs by 10 percent:

- Reducing labor-related costs, including overtime, supervisory inefficiencies, and administrative overhead;
- Implementing facility-based security technology to reduce reliance on physical guard presence; and

<sup>7</sup> Respondents include ABA Protection, Inc., All Star Security Services, Allied Universal, AM PM Nationwide Security, Inc., Citiguard, Command International Security, LiveView Technologies, and SafeRock Security

- Integrating technology upgrades to support cost containment, performance monitoring and operational deployment.

### **Performance Monitoring**

SFMTA staff monitor contractor performance through monthly meetings with Allied, as well as reports submitted twice per year that track service level statistics, such as completed trainings, number of hours worked, billed hours and amounts, and staffing levels. The vendor's most recent report was submitted to SFMTA in December 2025. Security guards are required to submit incident reports to the SFMTA Chief Security Officer and report threats to life and property to the Police Department. Allied is also required to conduct criminal background checks, as well as drug and alcohol testing for all security personnel.

Finally, the contract authorizes SFMTA to assess liquidated damages (pre-set charges for service failures) to address performance deficiencies, with amounts deducted from contractor payments in accordance with contract limits and enforcement provisions. SFMTA states that Allied has paid a total of \$40,000 in liquidated damages since the start of the contract due to failure to provide adequate guard staffing, as well as required personnel and hours of coverage for the Account Manager and Special Events. According to SFMTA, this occurred during the pandemic, which negatively impacted the contractor's ability to hire and retain staff. In response, SFMTA and Allied implemented a hiring and retention plan to resolve performance issues.

### **FISCAL IMPACT**

The proposed fourth amendment would increase the contract amount by \$5,911,925 for a total not to exceed \$64,940,326, as shown in Exhibit 3 below. Approximately \$53.5 million has been spent and encumbered to date (as of February 2026), which is 91 percent of the existing not to exceed amount. Exhibit 3 below shows the estimated annual contract expenditures by position.

**Exhibit 3: Estimated Annual Budget by Position**

Position	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 6 (Proposed Service Level Changes)	Year 7 (Proposed)	Total
Unarmed Officer	\$4,485,688	\$4,583,686	\$4,708,417	\$4,832,485	\$4,956,717	\$5,078,941	\$2,909,030	\$7,987,971.32	\$39,542,935
Video Surveillance	1,131,274	1,154,941	1,185,105	1,215,108	1,245,151	1,274,981	(836,068)	438,913	6,809,406
Security Console	320,496	327,201	335,746	344,246	352,758	361,209	77,704	438,913	2,558,274
Mobile Patrol	1,083,582	1,445,876	1,598,793	1,639,269	1,679,799	1,720,042	(1,247,366)	472,676	8,392,671
Armed Officer	1,123,676	1,145,487	1,173,358	1,201,078	1,228,836	1,256,856	(387,655)	869,201	7,610,837
ADA Observer	148,651	152,047	156,364	160,658	164,957	169,148	(80,205)	88,943	960,564
Badging Clerk	83,211	84,782	86,790	88,788	90,789	92,821	(1,925)	90,896	616,152
Armed Supervisor	86,663	88,220	90,216	92,201	94,188	96,231	(1,861)	94,370	640,227
<i>Labor Subtotal</i>	<i>\$8,463,241</i>	<i>\$8,982,240</i>	<i>\$9,334,789</i>	<i>\$9,573,833</i>	<i>\$9,813,195</i>	<i>\$10,050,229</i>	<i>\$431,654</i>	<i>\$10,481,884</i>	<i>\$67,131,065</i>
Less Unspent Funds									(\$2,990,737)
Contingency (8% of Year 7)									\$800,000
<b>Total Not to Exceed Amount</b>									<b>\$64,940,326</b>

Source: Appendix B of Proposed Contract Amendment

Note: Totals may not add due to rounding.

Proposed total expenditures increase by 6.8 percent from Year 5 (April 2024 to March 2025) to Year 6 and remain flat from Year 6 to Year 7. The increase is primarily driven by the additional unarmed guard hours to staff the Central Subway Station, as discussed above. The budget includes a contingency of \$800,000 for unplanned needs requiring continuous coverage, such as equipment damage to gates.

The proposed increase in the not to exceed amount of \$5.9 million is less than the proposed increase in the budget of \$10.9 million for Years 6 and 7 because approximately \$2.0 million of the existing contingency and approximately \$3.0 million of the existing budgets from prior years will be used to offset proposed extension costs. The vendor underspent approximately \$3.0 million in contract funds from FY 2021 to FY 2023 because of pandemic-related service reductions.

**Billing Rates and Prevailing Wage**

Under the proposed amendment, billing rates decline by an average of approximately 1.3 percent from CY 2025 to CY 2026 across all positions and remain flat from CY 2026 to CY 2027. The proposed amendment reduces management fees, which are a component of the billing rates, by

10 percent for the contract extension. Billing rates in CY 2026 and CY 2027 range from \$38.01/hour for an ADA Observer<sup>8</sup> to \$45.37 for an Armed Supervisor. From CY 2020 to CY 2025, average annual billing rate increases ranged from approximately 2.1 percent to 2.6 percent across all positions.

The billing rates for the contracted positions are determined by a formula that adds together the wage rate and the contractor's percentage markup. The contractor markup is an additional percentage that contractors add over the base costs (wages) to cover fringe benefits, management fees, (e.g., overhead expenses, administrative costs) and profit margins. Under the contract amendment, the percentage markup varies by position based on factors such as years of service, position, and vacation accrual, ranging from 27 to 41 percent in Years 6 and 7. The average percentage markup is 36 percent for Year 6 and 34 percent for Year 7.

All services performed under the contract must adhere to the prevailing wage requirements as monitored and enforced by the Office of Labor Standards Enforcement (OLSE). Prevailing wage rates are approved by the Board of Supervisors each year, based on surveys of market compensation for various industries for a particular job classification. Effective January 1, 2026, the prevailing wage rate (basic hourly rate) for a Security Officer is \$21.20. The fully loaded prevailing wage rate, which includes benefits, for a Security Officer is \$26.10 per hour for straight time.

In 2026, the wage rates in the contract range from \$23.30 to \$30.80, which exceeds the basic hourly prevailing wage rate of \$21.20. In addition, all employees receive sick and vacation hours and are offered medical coverage. Allied reports that they exceed the fully loaded prevailing wage rate of \$26.10 for all positions through the wage rate and benefits included in the contractor markup.

### **Funding Source**

The funding source for the contract is the SFMTA operating budget.

### **POLICY CONSIDERATION**

The proposed seven-year term exceeds the six-year term advertised in the 2018 Request for Proposals. The SFMTA is proposing to extend this agreement by one year through March 2027 to provide additional time to evaluate cost saving strategies. The SFMTA plans to issue a competitive solicitation for these services in Spring or Summer 2026.

### **RECOMMENDATION**

Approve the proposed resolution.

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<sup>8</sup> This position provides for unarmed plainclothes personnel, as approved by SFMTA, to serve as field observers in support of ADA compliance.

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

**Fourth Amendment**

**Contract No. SFMTA-2018-48**

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

**Recitals**

- A. City and Contractor have entered into the Agreement (as defined below).
- B. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to (1) reflect modifications in service levels and cost savings negotiated between the SFMTA and Contractor; (2) extend the term of the Agreement for one additional year until March 30, 2027; (3) increase the contract amount by a net amount of \$5,911,925 for a modified contract amount of \$64,940,326; and (4) revise Appendix B to reflect negotiated revisions to hourly rates, service levels, estimated yearly costs per contract year, and the revised total contract amount.
- C. City and Contractor engaged in good-faith negotiations and agreed to extend the contract for one additional year, reduce management fees by 10 percent, increase service levels due to additional guard patrol requirements at Central Subway platforms, and eliminate contract cost escalations for Non-Collective Bargaining Agreement-related billing rates during the extended term. As a result of these negotiated changes, contract costs increased by a total of \$10,913,540, consisting of an increase of \$431,655 in Option Year 3 due to modification in service levels and \$10,481,884 associated with the addition of one contract year pursuant to this Fourth Amendment.
- D. The Parties further agreed to apply most of the original contract contingency amount of \$2,810,876 to offset a portion of the increased costs associated with the Fourth Amendment extension, while retaining \$800,000 in contingency for the extended term. The Parties also agreed to apply \$2,990,737 in underutilized contract funds from Fiscal Years 21-23 due reduced service levels caused by the COVID-19 pandemic. With these offsets, the final net contract increase amounts to \$5,911,925, resulting in a modified contract not-to-exceed amount is \$64,940,326.

- E. The Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through a Request for Proposals issued on October 17, 2018, and this Amendment is consistent with the terms of the RFP and the awarded Agreement.
- F. This is a contract for Services, there is a Local Business Enterprise (LBE) subcontracting participation requirement, and this Amendment is consistent with that requirement.
- G. This Agreement is for security services under Proposition J (as defined by the 2023 PSC Policy of the Civil Service Commission) and, as such, is exempt from Civil Service Commission review.
- H. The SFMTA has filed Ethics Form 126f4 (Notification of Contract Approval) because this Agreement, as amended herein, has a value of \$100,000 or more in a fiscal year and will require the approval of City's Board of Supervisors.

NOW, THEREFORE, Contractor and the City agree as follows:

### **Article 1      Definitions**

The following definitions shall apply to this Amendment:

**1.1 Agreement.** The term "Agreement" shall mean the Agreement dated April 1, 2020, between Contractor and City, as amended by the:

First Amendment, dated July 25, 2023,

Second Amendment, dated April 8, 2024, and

Third Amendment, dated April 5, 2025.

**1.2 Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

### **Article 2      Modifications to the Agreement**

The Agreement is modified as follows:

**2.1 Article 2: Term of the Agreement.** Article 2 of the Agreement currently reads as follows:

**2.1** The term of this Agreement shall commence on the Effective Date of April 1, 2020, and expire six years from the Effective Date, unless earlier terminated as otherwise provided herein.

**2.2** Reserved.

Article 2 is modified to extend the term of the Agreement for one additional year until March 30, 2027. Article 2 is amended to read as follows:

**2.1** The term of this Agreement shall commence on the Effective Date of April 1, 2020, and expire seven years from the Effective Date, unless earlier terminated as otherwise provided herein.

**2.2** Reserved.

**2.2 Section 3.3.1(a): Payment.** Section 3.3.1(a) of the Agreement currently reads as follows:

**(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.

Section 3.3.1(a) is modified to reflect a net increase to the contract amount of \$5,911,925 for a modified contract amount of \$64,940,326. Section 3.3.1(a) is amended to read as follows:

**(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 **Sixty-Four Million Nine Hundred Forty Thousand, Three Hundred Twenty-Six Dollars (\$64,940,326)**. 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.

**2.3 Appendix B: Calculation of Charges.** Appendix B is modified to reflect the negotiated 10 percent reduction in management fees incorporated into the applicable hourly rates, revisions to service hours to address the additional guard patrol requirements at Central Subway platforms, revisions to the estimated yearly costs per contract year, the increase in costs for Option Year 3, the addition of one contract year pursuant to this Fourth Amendment, and the resulting revised total contract amount, including application of the existing contract contingency. Appendix B is replaced in its entirety by Appendix B-1, attached to this Amendment and fully incorporated within the Agreement. To the extent the Agreement refers to Appendix B in any place, the true meaning shall be Appendix B-1, which is a correct and updated version.

### **Article 3 Effective Date**

The modifications set forth in Article 2 shall be effective on and after the date of this Amendment.

### **Article 4 Legal Effect**

Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

<b>CITY</b>	<b>CONTRACTOR</b>
<p><b>San Francisco Municipal Transportation Agency</b></p> <hr/> <p>Julie B. Kirschbaum Director of Transportation</p> <p>Authorized By:</p> <p>Board of Supervisors</p> <p>Resolution No: _____</p> <p>Adopted: _____</p> <p>Attest: _____ Clerk of the Board</p> <p>Approved as to Form:</p> <p>David Chiu City Attorney</p> <p>By: _____ Annie Smiddy Deputy City Attorney</p>	<p><b>Universal Protection Service, LP, dba Allied Universal Security Services</b></p> <p><i>Christian Arno</i></p> <hr/> <p>Christian Arno Regional Vice President</p> <p>City Supplier Number: 0000025762</p>

4906-2824-4363v.1

**Appendix:**

B-1: Calculation of Charges

**Appendix B-1  
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.

**Table 1 – Billing Rates**

Calendar Year Billing Rates	2020	2021	2022	2023	2024	2025	2026	2027
<b>Unarmed Officer</b>	\$35.18	\$35.89	\$36.87	\$37.85	\$38.83	\$39.80	\$39.29	\$39.29
<b>Video Surveillance</b>	\$36.51	\$37.21	\$38.19	\$39.16	\$40.14	\$41.11	\$40.58	\$40.58
<b>Security Console</b>	\$36.51	\$37.21	\$38.19	\$39.16	\$40.14	\$41.11	\$40.58	\$40.58
<b>Mobile Patrol</b>	\$36.51	\$37.21	\$38.19	\$39.16	\$40.14	\$41.11	\$40.58	\$40.58
<b>Armed Officer</b>	\$38.90	\$39.59	\$40.56	\$41.53	\$42.49	\$43.45	\$42.86	\$42.86
<b>ADA Observer</b>	\$33.86	\$34.56	\$35.55	\$36.53	\$37.52	\$38.50	\$38.01	\$38.01
<b>Badging Clerk</b>	\$39.83	\$40.52	\$41.49	\$42.45	\$43.41	\$44.36	\$43.70	\$43.70
<b>Armed Supervisor</b>	\$41.50	\$42.17	\$43.13	\$44.09	\$45.05	\$45.99	\$45.37	\$45.37

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

Contract Year Totals	Contract Year (April 1 - March 31)								Total
	Year 1	Year 2	Year 3	Year 4 (1st Option)	Year 5 (2nd Option)	Year 6 (3rd Option)	Year 6 Service Level Changes	Year 7 (Contract Extension)	
<b>Unarmed Officer</b>	126,860	126,860	126,860	126,860	126,860	126,860	76,448	203,308	1,040,916
<b>Video Surveillance</b>	30,836	30,836	30,836	30,836	30,836	30,836	-20,020	10,816	175,812
<b>Security Console</b>	8,736	8,736	8,736	8,736	8,736	8,736	2,080	10,816	65,312
<b>Mobile Patrol</b>	29,536	38,584	41,600	41,600	41,600	41,600	-29,952	11,648	216,216
<b>Armed Officer</b>	28,756	28,756	28,756	28,756	28,756	28,756	-8,476	20,280	184,340
<b>ADA Observer</b>	4,368	4,368	4,368	4,368	4,368	4,368	-2,028	2,340	26,520
<b>Badging Clerk</b>	2,080	2,080	2,080	2,080	2,080	2,080	0	2,080	14,560
<b>Armed Supervisor</b>	2,080	2,080	2,080	2,080	2,080	2,080	0	2,080	14,560
<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>18,052</b>	<b>263,368</b>	<b>1,738,236</b>

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

Contract Year Totals	Contract Year (April 1 - March 31)								Totals
	Year 1	Year 2	Year 3	Year 4 (1st Option)	Year 5 (2nd Option)	Year 6 (3rd Option)	Year 6 Service Level Changes	Year 7 (Contract Extension)	
Unarmed Officer	\$4,485,688	\$4,583,686	\$4,708,417	\$4,832,485	\$4,956,717	\$5,078,941	\$2,909,030	\$7,987,971.32	\$39,542,935
Video Surveillance	\$1,131,274	\$1,154,941	\$1,185,105	\$1,215,108	\$1,245,151	\$1,274,981.00	(\$836,067.72)	\$438,913.28	\$6,809,406
Security Console	\$320,496	\$327,201	\$335,746	\$344,246	\$352,758	\$361,209.00	\$77,704.28	\$438,913.28	\$2,558,274
Mobile Patrol	\$1,083,582	\$1,445,876	\$1,598,793	\$1,639,269	\$1,679,799	\$1,720,042.00	(\$1,247,366.16)	\$472,675.84	\$8,392,671
Armed Officer	\$1,123,676	\$1,145,487	\$1,173,358	\$1,201,078	\$1,228,836	\$1,256,856.00	(\$387,655.20)	\$869,200.80	\$7,610,837
ADA Observer	\$148,651	\$152,047	\$156,364	\$160,658	\$164,957	\$169,148.00	(\$80,204.60)	\$88,943.40	\$960,564
Badging Clerk	\$83,211	\$84,782	\$86,790	\$88,788	\$90,789	\$92,821	(\$1,925)	\$90,896	\$616,152
Armed Supervisor	\$86,663	\$88,220	\$90,216	\$92,201	\$94,188	\$96,231.00	(\$1,861.40)	\$94,369.60	\$640,227
<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>\$431,655</b>	<b>\$10,481,884</b>	<b>\$67,131,063</b>

**Table 4 - Calculation of Final Contract Not-to-Exceed (NTE) Amount**

Gross Contract Cost – Years 1–7 (Excluding Contingency) [See Table 3 for Breakdown]	\$67,131,063
Original Contract Contingency (Previously Authorized)	\$2,810,876
Subtotal Gross NTE Including Contingency	\$69,941,939
Applied Offsets	
Less: Underutilized Contract Funds from FY 21-23 (COVID-related service reductions)	(\$2,990,737)
Less: Portion of Original Contract Contingency Applied to the Extension	(\$2,010,876)
<b>Final Contract Not-to-Exceed Amount</b>	<b>\$64,940,326</b>





**SFMTA**

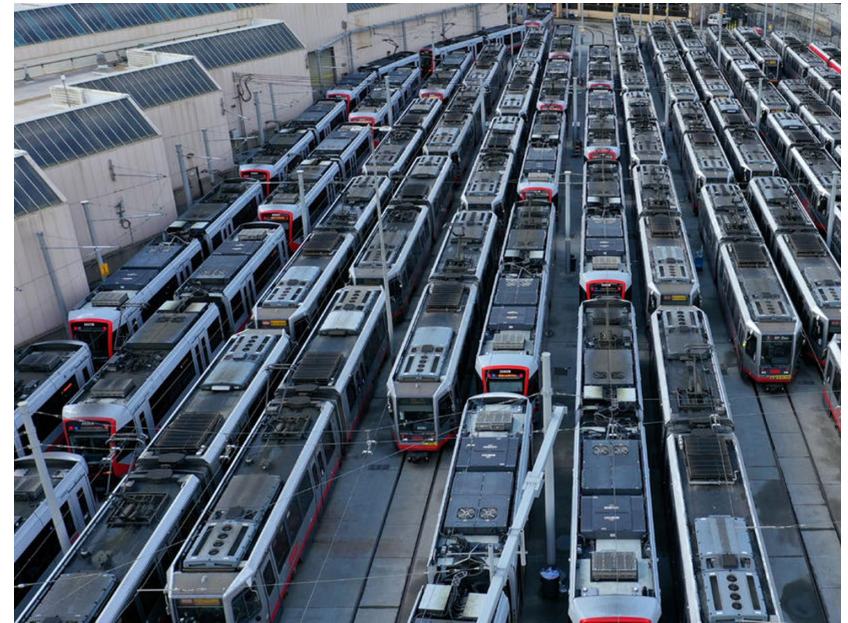
San Francisco Municipal Transportation Agency

# Security Services Contract Amendment

San Francisco Board of Supervisors  
Budget & Finance Committee  
March 4, 2026

# Security Services Overview

- 🛡️ Patrol and secure SFMTA bus yards and subway facilities
- 🕒 24/7 security coverage at most sites
- 📋 Centralized oversight and deployment of unarmed guards
- 📹 System-wide video surveillance recording, monitoring and analysis
- 🔒 Armed guard protection for revenue collections



# Security Services Highlights



## Streamline Coordination

- Liaise with TMC for security updates
- Partner with Station Agents to monitor passengers and address risks
- Implemented direct radio communications to Security Operations Center for faster reporting and response

## Importance of Guards

- Immediate response to incidents
- Visible deterrence against unsafe or criminal activity
- Provide situational awareness
- Serve as central hub between staff, passengers and Security Operations Center

# Original Contract Overview

## Competitive Solicitation Process

- Contract started on April 1, 2020, as a three-year contract with three one-year options.
- Option years were exercised. Current agreement with Allied is set to expire on March 31, 2026.

## Contract Costs

- Original terms: Not to Exceed \$59M over six years.
- Monthly invoice for actual costs.

# Overview of Action Requested

Extend Security Services Contract to extend negotiated savings and allow time to build potential cost-savings into upcoming RFP. Board approval will:



Reflect modifications in service levels and cost savings negotiated between the SFMTA and Contractor



Extend the term of the Agreement for one additional year until March 30, 2027







Increase the contract by a net amount of \$5,911,925 for a modified contract amount of \$64,930,326



Revise Appendix B to reflect negotiated revisions to hourly rates, service levels, estimated yearly costs per contract year and the revised total contract amount

# Negotiated Savings

-  **Negotiated a 10% reduction in management fees** for the extended term
-  **Increased service levels** due to additional guard patrol requirements at Central Subway stations
-  **Eliminated contract cost escalations** for the remaining term
-  **Used contract contingency** to offset increased expenditure authority required by contract extension

# One Year Contract Extension

## Contract Amount and Budget (\$M)

Category	FY26-27
Projected Expenditure	10.9
Unused Contingency	(2.0)
Unexpended Contract Authority due to COVID	(3.0)
Net Increase to Contract Authority	5.9

## Net Funding Impact (\$M)

Category	FY26-27
Projected Expenditure	10.9
Net Increase to Contract Authority	5.9

# Next Steps



**Stabilize contract costs during fiscal uncertainty**



**Request for Information (RFI) to obtain industry feedback**

- Gain comprehensive view for contract restructuring, cost reduction
- Evaluate security technologies for efficiency



**Site hardening of facilities**

- Strengthen main gate and patrol capabilities
- Implement lockdown procedure



**Optimize efficiency and cost-saving opportunities**



**Incorporate findings into next Request for Proposals (RFP)**

# Timeline If Extension Approved



- Extend current contract beyond March 2026 expiration – requires SFMTA Board and Board of Supervisors approval
- Finalize draft RFP and incorporate input from RFI
- Issue RFP for Security Services (Spring/Summer)
- Select vendor and finalize new agreement
- End of requested extension (March 2027)
- Service starts under new contract (April 2027)



SFMTA

Thank You

**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 April 1, 2020, 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/prevaling-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.mcgarty@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/largevehicletestingstandards](http://www.SFMTA.com/largevehicletestingstandards). 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	_____ Eric McGarty Sr. Regional Vice President
Authorized By:	
Municipal Transportation Agency Board of Directors	
Resolution No: <u>191203-151</u>	<u>Acknowledgement of Large Vehicle Driver Safety Training Requirements:</u>
Adopted: <u>December 3, 2019</u>	By signing this Agreement, Contractor acknowledges that it has read and understands Section 12.1: Large Vehicle Driver Safety Training Requirements.
Attest: <u></u> Roberta Boomer, Secretary	
Board of Supervisors	
Resolution No: <u>99-20</u>	City Supplier Number: 0000025762
Adopted: _____	
Attest: _____ Clerk of the Board	
Approved as to Form:	
Dennis J. Herrera City Attorney	
By: <u></u>	
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>1,456,816</b>

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

<b>Contract Year Totals</b>	<b>Contract Year (April 1 - March 31)</b>						<b>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>Unarmed Officer</b>	\$4,485,688	\$4,583,686	\$4,708,417	\$4,832,485	\$4,956,717	\$5,078,941	\$28,645,934
<b>Video Surveillance</b>	\$1,131,274	\$1,154,941	\$1,185,105	\$1,215,108	\$1,245,151	\$1,274,981	\$7,206,560
<b>Security Console</b>	\$320,496	\$327,201	\$335,746	\$344,246	\$352,758	\$361,209	\$2,041,656
<b>Mobile Patrol</b>	\$1,083,582	\$1,445,876	\$1,598,793	\$1,639,269	\$1,679,799	\$1,720,042	\$9,167,360
<b>Armed Officer</b>	\$1,123,676	\$1,145,487	\$1,173,358	\$1,201,078	\$1,228,836	\$1,256,856	\$7,129,290
<b>ADA Observer</b>	\$148,651	\$152,047	\$156,364	\$160,658	\$164,957	\$169,148	\$951,826
<b>Badging Clerk</b>	\$83,211	\$84,782	\$86,790	\$88,788	\$90,789	\$92,821	\$527,181
<b>Armed Supervisor</b>	\$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>
<b>Contingency @ 5%</b>							<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	2 X	
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

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, 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	\$0.32	\$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

**Appendix C-2**  
**Prevailing Wage, Information for Retained Employees under Agreement SFMTA-2015-31**

<b>Employee</b>	<b>Title</b>	<b>2020 Regular Rate</b>
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

<b>Employee</b>	<b>Title</b>	<b>2020 Regular Rate</b>
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

<b>Employee</b>	<b>Title</b>	<b>2020 Regular Rate</b>
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

## 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

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

**1. Unarmed Service Schedule**

<b>Unit 1</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
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
<b>Location 2</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
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

<b>Location 3</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
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
<b>Location 4</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
Foot Patrol	0500 - 1300						0500 - 1300
	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500

<b>Location 5</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
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
<b>Location 6</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
Foot Patrol	0500 - 1300						0500 - 1300
	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500
<b>Location 7</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
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
<b>Location 8</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
Foot Patrol	0500 - 1300						0500 - 1300
	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500

<b>Location 9</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
	0500 - 1300						0500 - 1300
Foot Patrol	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500
<b>Location 10</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
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
<b>Location 11</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
Foot Patrol	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
<b>Location 12</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
Foot Patrol	0500 - 1300						0500 - 1300
	1300 - 2100						1300 - 2100
	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500	2100 - 0500

<b>Unit 13</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
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
<b>Unit 14</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</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
<b>Clerk 15</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
		0800 - 1630	0800 - 1630	0800 - 1630	0800 - 1630	0800 - 1630	

**2. Armed Service Schedule**

<b>Position</b>	<b>Sunday</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>	<b>Saturday</b>
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	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500
	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100
Location 5	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500
	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100
Location 6	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500	0700 - 1500
	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100	1300 - 2100
Location 7	0900 - 1700	0900 - 1700	0900 - 1700	0900 - 1700	0900 - 1700	0900 - 1700	0900 - 1700
Unit 8	0900 - 1700						0900 - 1700
	1100 - 1900						1100 - 1900

## 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.

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

**First Amendment**

**Contract No. SFMTA-2018-48**

THIS FIRST AMENDMENT (First Amendment) to Contract No. SFMTA 2018-48 is made as of July 25, 2023, in San Francisco, California, by and between **Universal Protection Service, LP, dba Allied Universal Security Services** (Contractor) for security guard services, and the City and County of San Francisco, a municipal corporation (City), acting by and through its Municipal Transportation Agency (SFMTA).

**Recitals**

- A. City and Contractor have entered into the Agreement (as defined below).
- B. The term of the Agreement expired as of March 31, 2023, but City and Contractor, each by their conduct, continued their contractual relationship consistent with the Agreement, despite the passing of the expiration date.
- C. City and Contractor desire to memorialize their continued contractual relationship by entering into this First Amendment extending the same terms and conditions as the Agreement.
- D. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to retroactively extend the base term of the Agreement for an additional year commencing on April 1, 2023, and ending on March 31, 2024, as provided in Section 2.2 of the Agreement; reduce term extension options from three to two options; and update standard contractual clauses.
- E. The Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through a Request for Proposals issued on October 17, 2018.

NOW, THEREFORE, Contractor and the City agree as follows:

**Article 1 Definitions**

The following definitions shall apply to this Amendment:

1.1 **Agreement.** The term “Agreement” shall mean Contract No. SFMTA-2018-48, the Agreement dated April 1, 2020, between Contractor and City, as amended by this First Amendment.

1.2 **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

## **Article 2 Modifications to the Agreement**

The Agreement is modified as follows:

2.1 Article 2 (Term of the Agreement) of the Agreement is retroactively extended one additional year, effective April 1, 2023; Article 2 is replaced in its entirety to read as follows:

**2.1** The term of this Agreement shall commence on the Effective Date of April 1, 2020, and expire four years from the Effective Date, unless earlier terminated as otherwise provided herein.

**2.2** The City has two 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).

2.2 A new Section 13.4 (Ownership of City Data) is added to the Agreement to read as follows:

**13.4 Ownership of City Data.** The Parties agree that as between them, all rights, including all intellectual property rights, in and to the City Data and any derivative works of the City Data, is the exclusive property of the City.

2.3 A new Section 13.5 (Management of City Data and Confidential Information) is added to the Agreement to read as follows:

### **13.5 Management of City Data and Confidential Information**

**13.5.1 Use of City Data and Confidential Information.** Contractor agrees to hold City Data received from, or collected on behalf of, the City, in strictest confidence. Contractor shall not use or disclose City Data except as permitted or required by the Agreement or as otherwise authorized in writing by the City. Any work using, or sharing or storage of, City Data outside the United States is subject to prior written authorization by the City. Access to City Data must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. Contractor is provided a limited non-exclusive license to use the City Data solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing herein shall be construed to confer any license or right to the City Data, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data or Confidential Information by Contractor, subcontractors, or other third parties is prohibited. For purpose of this

requirement, the phrase “unauthorized use” means the data mining or processing of data, stored or transmitted by the service, for commercial purposes, advertising or advertising-related purposes, or for any purpose other than security or service delivery analysis that is not explicitly authorized.

**13.5.2 Disposition of Confidential Information.** Upon request of City or termination or expiration of this Agreement, and pursuant to any document retention period required by this Agreement, Contractor shall promptly, but in no event later than 30 Days, return all Data given to or collected by Contractor on City’s behalf, which includes all original media. Once Contractor has received written confirmation from City that the City Data has been successfully transferred to City, Contractor shall within 10 business days clear or purge all City Data from its servers, any hosted environment Contractor has used in performance of this Agreement, including its subcontractors’ environment(s), work stations that were used to process the Data or for production of the Data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within five business days of the purge. Secure disposal shall be accomplished by “clearing,” “purging” or “physical destruction,” in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88, or the most current industry standard.

### **Article 3      Effective Date**




Each of the modifications set forth in Article 2 shall be effective on and after the date of this Second Amendment.

### **Article 4      Legal Effect**

Except as expressly modified by this First Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

**SIGNATURES ON FOLLOWING PAGE**

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

CITY	CONTRACTOR
<b>San Francisco Municipal Transportation Agency</b>  	<b>Universal Security Solutions, LLC, dba Allied Universal Security Services</b>  
_____ Jeffrey P. Tumlin Director of Transportation	_____ Christian Arno Regional Vice President
Approved as to Form:	City Supplier Number: 0000025762
David Chiu City Attorney	
By:  _____ Robert K. Stone Deputy City Attorney	

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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**

**Second Amendment**

**Contract No. SFMTA-2018-48**

THIS SECOND AMENDMENT (Second Amendment) to Contract No. SFMTA-2018-48 is made as of April 8, 2024, in San Francisco, California, by and between **Universal Protection Service, LP, dba Allied Universal Security Services** (Contractor) for security guard services, and the City and County of San Francisco, a municipal corporation (City), acting by and through its Municipal Transportation Agency (SFMTA).

**Recitals**

- A. City and Contractor have entered into the Agreement (as defined below).
- B. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to exercise the second option to extend the term of the Agreement for one additional year until March 31, 2025, as authorized in Section 2.2 of the Agreement.
- C. The Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through a Request for Proposals issued on October 17, 2018, and this Amendment is consistent with the process.

NOW, THEREFORE, Contractor and the City agree as follows:

**Article 1 Definitions**

The following definitions shall apply to this Amendment:

**1.1 Agreement.** The term “Agreement” shall mean the Contract No. SFMTA-2018-48, dated April 1, 2020, between Contractor and City, as amended by the:

First Amendment, dated July 25, 2023, and this Second Amendment.

**1.2 Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

## **Article 2      Modifications to the Agreement**

The Agreement is modified as follows:

**2.1**      Article 2 (Term of the Agreement) of the Agreement is extended one additional year; Article 2 is replaced in its entirety to read as follows:

**2.1**      The term of this Agreement shall commence on the Effective Date of April 1, 2020, and expire five years from the Effective Date, unless earlier terminated as otherwise provided herein.

**2.2**      The City has one option 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      Effective Date**

Each of the modifications set forth in Article 2 shall be effective on and after the date of this Amendment or March 31, 2024, whichever is earlier.

## **Article 4      Legal Effect**

Except as expressly modified by this Second Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

<b>CITY</b>	<b>CONTRACTOR</b>
<p data-bbox="198 380 678 457"><b>San Francisco Municipal Transportation Agency</b></p> <p data-bbox="272 548 412 604"></p> <hr data-bbox="198 619 787 623"/> <p data-bbox="198 632 548 709">Jeffrey P. Tumlin Director of Transportation</p> <p data-bbox="198 884 493 919">Approved as to Form:</p> <p data-bbox="198 953 391 1031">David Chiu City Attorney</p> <p data-bbox="198 1171 760 1318">By: <u>Robert K. Stone</u> Annie Smiddy Deputy City Attorney</p>	<p data-bbox="831 380 1377 457"><b>Universal Security Solutions, LLC, dba Allied Universal Security Services</b></p> <p data-bbox="867 562 1065 604"></p> <hr data-bbox="831 619 1430 623"/> <p data-bbox="831 632 1149 709">Christian Arno Regional Vice President</p> <p data-bbox="831 884 1300 919">City Supplier Number: 0000025762</p>

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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**

**Third Amendment**

**Contract No. SFMTA-2018-48**

THIS THIRD AMENDMENT (Amendment) is made as of April 4, 2025, in San Francisco, California, by and between **Universal Protection Service, LP, dba Allied Universal Security Services** (Contractor), and the City and County of San Francisco, a municipal corporation (City), acting by and through its Municipal Transportation Agency (SFMTA).

**Recitals**

- A. City and Contractor have entered into the Agreement (as defined below).
- B. City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to exercise the third option to extend the term of the Agreement for one additional year until March 31, 2026, as authorized in Section 2.2 of the Agreement.
- C. The Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through a Request for Proposals issued on October 17, 2018, and this Amendment is consistent with the terms of the RFP and the awarded Agreement.
- D. This is a contract for Services, there is a Local Business Enterprise (LBE) subcontracting participation requirement, and this Amendment is consistent with that requirement.
- E. This Agreement is for security services under Proposition J (as defined by the 2023 PSC Policy of the Civil Service Commission) and, as such, is exempt from Civil Service Commission review.

NOW, THEREFORE, Contractor and the City agree as follows:

**Article 1 Definitions**

The following definitions shall apply to this Amendment:

**1.1 Agreement.** The term “Agreement” shall mean the Agreement dated April 1, 2020, between Contractor and City, as amended by the:

First Amendment, dated July 25, 2023, and

Second Amendment, dated April 8, 2024.

**1.2 San Francisco Labor and Employment Code.** As of January 4, 2024, San Francisco Administrative Code Chapters 21C (Miscellaneous Prevailing Wage Requirements), 12B (Nondiscrimination in Contracts), 12C (Nondiscrimination in Property Contracts), 12K (Salary History), 12P (Minimum Compensation), 12Q (Health Care Accountability), 12T (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions), and 12U (Sweatfree Contracting) are redesignated as Articles 102 (Miscellaneous Prevailing Wage Requirements), 131 (Nondiscrimination in Contracts), 132 (Nondiscrimination in Property Contracts), 141 (Salary History), 111 (Minimum Compensation), 121 (Health Care Accountability), 142 (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions), and 151 (Sweatfree Contracting) of the San Francisco Labor and Employment Code, respectively. Wherever this Agreement refers to San Francisco Administrative Code Chapters 21C, 12B, 12C, 12K, 12P, 12Q, 12T, and 12U, it shall be construed to mean San Francisco Labor and Employment Code Articles 102, 131, 132, 141, 111, 121, 142, and 151, respectively.

**1.3 Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

## **Article 2 Modifications to the Agreement**

The Agreement is modified as follows:

**2.1** Article 2 (Term of the Agreement) of the Agreement currently reads as follows:

**2.1** The term of this Agreement shall commence on the Effective Date of April 1, 2020, and expire five years from the Effective Date, unless earlier terminated as otherwise provided herein.

**2.2** The City has one option 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 2 is amended to read as follows:

**2.1** The term of this Agreement shall commence on the Effective Date of April 1, 2020, and expire six years from the Effective Date, unless earlier terminated as otherwise provided herein.

**2.2** Reserved.

### **Article 3 Updates of Standard Terms to the Agreement**

The Agreement is modified as follows:

**3.1 Article 1: Definitions.** Sections 1.4 and 1.6 are replaced in its entirety to read as follows:

**1.4 “City Data”** means that data as described in Article 13 of this Agreement, which includes, without limitation, all data collected, used, maintained, processed, stored, or generated by or on behalf of the City in connection with this Agreement. City Data includes, without limitation, Confidential Information.

**1.6 “Confidential Information”** means confidential City information including, but not limited to, personal-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). Confidential Information includes, without limitation, City Data.

**3.2 Section 4.2: Qualified Personnel.** Section 4.2 of the Agreement is replaced in its entirety to read as follows:

**4.2 Qualified Personnel.** Contractor represents and warrants that it is qualified to perform the Services required by City, and that all Services will be performed by competent personnel with the degree of skill and care required by current and sound professional procedures and practices. 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 sufficient resources for timely completion within the project schedule.

**3.3 Section 4.5: Assignment.** Section 4.5 is replaced in its entirety to read as follows:

**4.5 Assignment.** The Services to be performed by Contractor are personal in character. This Agreement may not be directly or indirectly assigned, novated, or otherwise transferred unless first approved by the SFMTA by written instrument executed and approved as required under City law, the SFMTA Delegation Policy,

as amended, and applicable SFMTA policies. Any purported assignment made in violation of this provision shall be null and void.

**3.4 Section 10.4: Consideration of Salary History.** Section 10.4 is replaced in its entirety to read as follows:

**10.4 Consideration of Salary History.** Contractor shall comply with San Francisco Labor and Employment Code Article 141 (formerly 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 (1) asking such applicants about their current or past salary or (2) 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 Article 141. Information about and the text of Article 141 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 Article 141, irrespective of the listing of obligations in this Section.

**3.5 Section 11.14: Notification of Legal Requests.** Section 11.14 is replaced in its entirety to read as follows:

**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 any City Data under this Agreement, and in no event later than 24 hours after Contractor 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.

**3.6 Article 13: Data and Security.** Article 13 is replaced in its entirety to read as follows:

**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 City Data; Confidential Information.** In the performance of Services, Contractor may have access to, or collect on City's behalf, City Data, which may include proprietary or Confidential Information that if disclosed to third parties may damage City. If City discloses proprietary or Confidential Information to Contractor, or Contractor collects such information on City's behalf, 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)**

**13.4 Management of City Data**

**13.4.1 Use of City Data.** Contractor agrees to hold City Data received from, or created or collected on behalf, of the City, in strictest confidence. Contractor shall not use or disclose City Data except as permitted or required by the Agreement or as otherwise authorized in writing by the City. Any work by Contractor or its authorized subcontractors using, or sharing or storage of, City Data outside the United States is prohibited, absent prior written authorization by the City. Access to City Data must be strictly controlled and limited to Contractor's staff assigned to this project on a need-to-know basis only. City Data shall not be distributed, repurposed or shared across other applications, environments, or business units of Contractor. Contractor is provided a limited non-exclusive license to use the City Data solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use. Nothing herein shall be construed to confer any license or right to the City Data, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data and/or machine learning from the data, stored or transmitted by the service, for unrelated commercial purposes, advertising or advertising-related purposes, or for any purpose that is not explicitly authorized other than security or service delivery analysis.

**13.4.2 Disposition of City Data.** Upon request of City or termination or expiration of this Agreement, Contractor shall promptly, but in no event later than 30 Days, return all City Data given to, or collected or created by Contractor on

City's behalf, which includes all original media. Once Contractor has received written confirmation from City that City Data has been successfully transferred to City, Contractor shall within 10 Days clear or purge all City Data from its servers, any hosted environment Contractor has used in performance of this Agreement, including its subcontractors' environment(s), work stations that were used to process the data or for production of the data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such purge occurred within 5 Days of the purge. Secure disposal shall be accomplished by "clearing," "purging" or "physical destruction," in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88, or the most current industry standard.

**13.5. Ownership of City Data.** The Parties agree that as between them, all rights, including all intellectual property rights, in and to City Data and any derivative works of the City Data is the exclusive property of the City.

**13.6 Loss or Unauthorized Access to City's Data; Security Breach Notification.** Contractor shall comply with all applicable laws that require the notification to individuals in the event of unauthorized release of PII, PHI, or other event requiring notification. Contractor shall notify City of any actual or potential exposure or misappropriation of City Data (any "Leak") within twenty-four (24) hours of the discovery of such, but within twelve (12) hours if the Data Leak involved PII or PHI. Contractor, at its own expense, will reasonably cooperate with City and law enforcement authorities to investigate any such Leak and to notify injured or potentially injured parties. The remedies and obligations set forth in this subsection are in addition to any other City may have. City shall conduct all media communications related to such Leak.


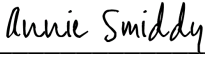

#### **Article 4      Effective Date**

Each of the modifications set forth in Articles 2 and 3 shall be effective on and after the date of this Amendment.

#### **Article 5      Legal Effect**

Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

<b>CITY</b>	<b>CONTRACTOR</b>
<p><b>San Francisco Municipal Transportation Agency</b></p> <p></p> <hr/> <p>Julie Kirschbaum Director of Transportation</p> <p>Approved as to Form:</p> <p>David Chiu City Attorney</p> <p>By: </p> <hr/> <p>Annie Smiddy Deputy City Attorney</p>	<p><b>Universal Security Solutions, LLC, dba Allied Universal Security Services</b></p> <p></p> <hr/> <p>Christian Arno Regional Vice President</p> <p>City Supplier Number: 0000025762</p>

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### Fourth Amendment to SFMTA Contract No. 2018-48

The San Francisco Municipal Transportation Agency (SFMTA) Board of Directors propose to authorize the Director of Transportation to execute the Fourth Amendment to SFMTA Contract No. 2018-48 with Universal Protection Service, LP, dba Allied Universal Security Services, for armed and unarmed security guard services. The amendment would extend the contract term by one year until March 30, 2027, and increase the contract amount by \$5,911,925, for a total not to exceed amount of \$64,940,326, to fund the extended term, subject to approval by the Board of Supervisors under San Francisco Charter Section 9.118. The SFMTA Board would also recommend that the Board of Supervisors approve the Fourth Amendment pursuant to their authority under Charter Section 9.118. Current service levels would be maintained under the contract amendment.

**Approval Action:**  
SFMTA Board Hearing

Not a "project" under CEQA pursuant to 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.

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*Jenny Delumo* 1/30/2026  
 Jenny Delumo Date  
 San Francisco Municipal Transportation Agency

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*Ryan Shum* January 30, 2026  
 Ryan Shum Date  
 San Francisco Planning Department

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



Daniel Lurie, Mayor

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

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

Julie Kirschbaum, Director of Transportation

February 10, 2026

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

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

Honorable Members of the Board of Supervisors:

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

## **BACKGROUND**

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

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

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

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

## **Proposed Contract Extension**

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

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

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

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

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

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

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

## **ALTERNATIVES CONSIDERED**

Staff considered the following alternatives:

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

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

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

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

## **STAKEHOLDER ENGAGEMENT**

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

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

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

**FUNDING IMPACT**

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

<b>Contract costs</b>	<b>FY 2026</b>
	\$10.91 million

**SFMTA BOARD ACTION**

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

**REQUEST FOR APPROVAL**

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

Sincerely,



**Julie Kirschbaum**  
**Director of Transportation**



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 · Fax: 415.252.3112

### Filing Information

**Record Number**

SFEC126F0001101

**Status**

BOS Legislative Clerk Acceptance

**SFEC126f Form Type**

126f4 BOS

**File Number (BOS)**

260134

**Type of Filing**

Original

## Contractor Information

**Contractor Name**

Universal Protection Services,lp,dba,Allied Universal Services

**Contractor Email**

christian.arno@aus.com

**Contractor Phone #**

(415) 926-6401

**International Address?**

No

**Contractor Address (US)**

400 Montgomery St, 7th floor

**Contractor City and State**

San Francisco - CA

**Contractor Zip Code**

94104

**Country**

United States of America

## Contract Information

### Contract Amount

\$64,940,326.00

### Description of Amount of Contract

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

### Contract Description

City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to (1) reflect modifications in service levels and cost savings negotiated between the SFMTA and Contractor; (2) extend the term of the Agreement for one additional year until March 30, 2027; (3) increase the contract amount by a net amount of \$5,911,925 for a modified contract amount of \$64,940,326; and (4) revise Appendix B to reflect negotiated revisions to hourly rates, service levels, estimated yearly costs per contract year, and the revised total contract amount

## City Agency - Departmental Contact Information

### Departmental Contact

Kimberly Burrus

### Departmental Contact Phone #

(415) 535-5404

### Full Department Name

MTA - Municipal Transportation Agency

### Agency Contact Email

kimberly.burrus@sfmta.com

### Departmental Contact Comments

For review and approval of a 1 yr contract extension to allow a redesign and cost reduction.

## Contract Approval

### Mayoral Approval Not Required

false

## Affiliates and subcontractors

Entity Type	First Name	Last Name	Entity or Sub/Contractor Name
CEO	Steve	Jones	
Other Principal Officer	Eric	McGarty	
Other Principal Officer	Michael	Kirkman	
CFO	Tim	Brandt	
Other Principal Officer	William	Walker	
Other Principal Officer	Deanna	Steele	
Other Principal Officer	Ken	Woodland	
Other Principal Officer	Ron	Rabena	
Other Principal Officer	Mark	Mullinson	
Other Principal Officer	Jim	Haugslund	
Other Principal Officer	Deborah	Pecci	
Subcontractor	Sam	Tadesse	
Subcontractor	Moura	Borisova	
Subcontractor	Bo	Moriles	

OFFICE OF THE MAYOR  
SAN FRANCISCO



DANIEL LURIE  
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Dexter Darmali, Legislative & Ethics Secretary  
RE: Contract Amendment - Universal Protection Service, LP, dba Allied Universal Security Services -  
Armed and Unarmed Security Guard Services - Not to Exceed \$64,940,326  
DATE: February 10, 2026

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Resolution approving the Fourth Amendment to Contract No. SFMTA-2018-48, Armed and Unarmed Security Services Agreement, between the City, acting by and through, the San Francisco Municipal Transportation Agency (SFMTA) and Universal Protection Service, LP, dba Allied Universal Security Services, to extend the term by one year, for a total term from April 1, 2020 to March 31, 2027, to increase the amount by \$5,911,925 for a total not to exceed amount of \$64,940,326, and to authorize the SFMTA to enter into any amendments or modifications to the agreement that do not materially increase the obligations or liabilities to the City and are necessary to effectuate the purposes of the agreement or this Resolution.

Should you have any questions, please contact Adam Thongsavat at [adam.thongsavat@sfgov.org](mailto:adam.thongsavat@sfgov.org)