

FILE NO. 200090

RESOLUTION NO.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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