

1 [Agreement Amendment - Armed and Unarmed Security Services - Cypress Security, LLC -
2 Not to Exceed \$35,900,000]

3 **Resolution approving the Seventh Amendment to the Armed and Unarmed Security**
4 **Services Agreement between the City, through the Municipal Transportation Agency,**
5 **and Cypress Security, LLC, to increase the amount of the contract by \$3,000,000 for a**
6 **total contract amount not to exceed \$35,900,000 and extending the term for six months**
7 **until March 31, 2015.**

8
9 WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) collects
10 more than \$210,000,000 in annual revenue from transit fares, citation payments, and sale of
11 various fare media and has facilities throughout the City, including transit stations, vehicle
12 storage yards and service centers; and

13 WHEREAS, The SFMTA's facilities require the services of security guards to act as a
14 first deterrent for inappropriate activity, ensure the safety of SFMTA personnel, protect
15 SFMTA property and the public, and guard against vandalism; and

16 WHEREAS, In 2008, the City entered into a contract for security services with Cypress
17 Security, LLC, in a not-to-exceed amount of \$15,800,000, and for an original term of three
18 years, until August 31, 2011, with an option to extend the contract for three additional years;
19 and

20 WHEREAS, The contract has been extended six times, to extend the contract to
21 September 30, 2014, and to increase the contract amount to \$32,900,000; and

22 WHEREAS, On September 2, 2014, the SFMTA Board of Directors approved Contract
23 No. SFMTA-2014-27 (Armed and Unarmed Security Services) with Andrews International
24 Andrews International, the lowest responsible and responsive bidder; and

1 WHEREAS, Due to conflicting information and other uncertainties regarding the
2 amount of wages paid to existing workers, Andrews elected to withdraw from the process; and

3 WHEREAS, The Director of Transportation rejected all bids and will begin a new
4 competitive procurement process in order to specify worker retention and compensation
5 requirements; and

6 WHEREAS, On September 16, 2014, the SFMTA Board of Directors adopted
7 Resolution No. _____, approving the Seventh Amendment to the Armed and Unarmed
8 Security Services Agreement with Cypress Security, LLC, in an amount not to exceed
9 \$35,900,000, and for a term ending March 31, 2015, subject to approval by the Board of
10 Supervisors; and also recommended that the Board of Supervisors approve an uncodified
11 ordinance authorizing the SFMTA to include, in any contract for security services it executes
12 within the next year after issuing a competitive solicitation, provisions that require payment of
13 prevailing wages (as defined in the ordinance) by both the contractor and subcontractors to
14 any individual providing security services under the contract, and transitional employment and
15 retention for the prior contractor's employees; now, therefore, be it

16 RESOLVED, That the Board of Supervisors approves the Seventh Amendment to the
17 Armed and Unarmed Security Services Agreement between the City, through the Municipal
18 Transportation Agency, and Cypress Security, LLC, to increase the amount of the contract by
19 \$3,000,000 for a total contract amount not to exceed \$35,900,000, and to extend the term of
20 the contract until March 31, 2015.