



## STAFF REPORT

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**DATE:** December 9, 2019

**TO:** Sacramento Regional Transit Board of Directors

**FROM:** Lisa Hinz, VP, Safety, Security and Customer Satisfaction

**SUBJ:** APPROVING A SOLE SOURCE AND SECOND AMENDMENT TO THE CONTRACT FOR SECURITY GUARD SERVICES WITH FIRST ALARM SECURITY AND PATROL, INC.

### RECOMMENDATION

Adopt the Attached Resolution.

### RESULT OF RECOMMENDED ACTION

Approving a sole source procurement and the second amendment to the contract for security guard services with First Alarm Security and Patrol Inc. will allow for the continuation of security guard services currently being provided to SacRT through June 30, 2022, fund an increase in the number of guards, establish new project manager and guard job descriptions, and clarify payment for guard lunch periods.

### FISCAL IMPACT

The Second Amendment will increase the total consideration by \$6.5M for the time period FY2020 through FY2022. The actual expenses are expected to be below this amount, but the \$6.5M will provide some contingency funding if additional staff are needed to address emergencies, special events and/or crime series.

### DISCUSSION

On May 22, 2017, the Board awarded a Contract for Security Guard Services to Paladin Private Security for an amount not to exceed \$900,000 for a 3-year term with an option to renew for up to two additional one-year periods. The intent at that time was to rely on the newly-created pilot "Transit Agent" program to provide a SacRT presence on trains and in stations. Therefore, the initial contract included very limited funding, primarily for overnight mobile patrols (using Paladin-furnished vehicles) and "as needed" supplementary services.

On October 22, 2018, the Board approved the First Amendment to the contract for Security Guard Services with Paladin Private Security. The First Amendment increased the contract consideration to a not to exceed amount from \$900,000 to \$1,484,893 for the three-year term (FY2018-FY2020). SacRT Police Services (RTPS) increased police and security guard presence at the Watt/I-80 Light Rail Station in response to the rise in criminal activities in the summer of 2017.

On May 1, 2019, SacRT was notified by Paladin Private Security of its intent to assign the security guard services contract to First Alarm Security and Patrol, Inc. (FASP) effective June 1, 2019. Paladin's CEO, Vice President, mid-level management, dispatch team and field personnel became employees of FASP. Their dispatch center, phone number and their records management system remained intact and continued to serve SacRT's contract. SacRT's contract terms, conditions, service profile and rates remain unchanged with this new assignment.

On July 1, 2019, SacRT transitioned the former Transit Agent pilot program to the permanent Transit Ambassador (TA) program. The TAs provide a combination of fare inspection and customer related functions to fulfill SacRT's customers' first initiative. Due to this transition, SacRT Staff requested the assignment of one project manager, two guard supervisors, and 27 "mobile station guards" whose job duties differ from those of the "mobile guards" as described in the original contract. The new mobile station guard job description is to be assigned to three to four stations. The mobile station guard will patrol a station then board the train to patrol the next station. The mobile station guard will ride back and forth to their assigned stations throughout their shift.

The addition of the project manager and mobile station guards was not included in the original scope of work in the Contract and would normally require that the new work be bid out in a new solicitation due to both the magnitude of the addition to the total consideration and the inclusion of a new scope of work. However, SacRT's Procurement Ordinance, Article 1.405 B.2., SacRT's Board may approve a noncompetitive procurement for contracts that are non-federally funded when it determines that it is in SacRT's best interest to solicit one consultant or to amend an existing service contract. Because SacRT already has a contractual relationship with FASP, and because SacRT is satisfied with the services provided by FASP, as the successor to Paladin, as more fully described below, Staff believes that it would be in SacRT's best interest to enter into a sole source amendment to its existing contract with FASP.

FASP staff have met the requirements as SacRT's security guard services provider. They are responsive to SacRT's needs for security guard services. They address SacRT's concerns in a timely manner. They have a more "hands on" approach, offering a more robust security presence, protecting passengers and employees. They offer more visibility to the passengers and have an around-the-clock presence at most light rail stations.

Staff is amending the agreement to add station guards and light rail guards to the scope of work. Station guards discourage unruly, disruptive behavior and vandalism at light rail stations by their presence and duty to report. Station guards also ensure the facilities are free from hazards such as broken glass and damaged fencing. Light rail guards discourage unruly, disruptive behavior and vandalism on light rail vehicles by their presence and duty to report.

In addition, during a review of contract invoices, it was determined that SacRT was being billed the contracted hourly rate for guard lunches, which was unanticipated at the time the parties entered into the Contract. This is customary in the security guard

industry, as it may be difficult to entirely relieve guards of their duties, as required by law to justify an unpaid meal period. The Second Amendment will add language to clarify the payment for lunch periods.

Staff is satisfied with FASP and desires to extend the contract for two additional one-year periods. While the Contract contained two one-year options to extend, due to the magnitude of the changes to the Contract, the extension of the Contract is also a sole source procurement.

Staff has reviewed the cost of the contract extension and finds that it is fair and reasonable since it is consistent with the price proposed in the Principal Agreement.

Staff recommends the Board make a finding that it is in SacRT's best interest to approve a contract extension with FASP and approve the Second Amendment to the Contract for Security Guard Services with FASP, to add new job descriptions, extends the contract for two additional years, commencing July 1, 2020 and terminating on June 30, 2022, clarify payment for lunch periods, and increase the total consideration by \$6,500,000, from \$1,484,893 to \$7,984,893.

RESOLUTION NO. 19-12-0134

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

December 9, 2019

**APPROVING A SOLE SOURCE AND SECOND AMENDMENT TO THE CONTRACT FOR SECURITY GUARD SERVICES WITH FIRST ALARM SECURITY AND PATROL, INC.**

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, in accordance with Section 1.405.B.2. of SacRT's Procurement Ordinance, a sole source procurement is permitted upon determination by the Board that it is in SacRT's best interest to amend an existing service contract without compliance with the competitive solicitation procedures set forth in the Article III of the Procurement Ordinance.

THAT, the Board hereby determines and finds that it is in SacRT's best interest to award a contract extension to First Alarm Security & Patrol, Inc., because the firm has been providing satisfactory security guard services over the first two and a half years of the contract and continuation and expansion of the existing Contract will ensure more cohesive guard services SacRT needs to complement the Transit Ambassador program.

THAT, the Second Amendment to the Contract between Sacramento Regional Transit District, therein referred to as "SacRT," and First Alarm Security & Patrol, Inc., therein referred to as "Contractor," whereby additional job descriptions are added, the term is extended by two years, commencing July 1, 2020 and terminating June 30, 2022, payment for lunch periods is clarified, and the total consideration is increased by \$6,500,000, from \$1,484,893 to \$7,984,893 to provide for continued and expanded guard services, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute said Second Amendment.

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PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary