



## Board Report

File #: 2020-0030, File Type: Contract

Agenda Number:

### OPERATIONS, SAFETY AND CUSTOMER EXPERIENCE COMMITTEE FEBRUARY 20, 2020

**SUBJECT: SECURITY GUARD SERVICES**

**ACTION: APPROVE CONTRACT MODIFICATION**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Contract Modification No. 6 to Contract No. PS560810024798 with RMI International, Inc. to continue providing security guard services, and increasing the not-to-exceed contract value by \$18,400,000 from \$87,053,758 to \$105,453,758.

#### **ISSUE**

RMI provides security guard services at selected locations of the regional Metro System to protect Metro assets, staff and prevent unlawful entry into secured areas. In order to continue to provide preventative physical security at Metro stations, parking lots/structures, and critical infrastructures, and increase visible security presence at bus/rail maintenance facilities, Contract Modification No. 6 is required. Staff intends to aggressively manage all areas being patrolled and guarded by RMI International, Inc., in an effort to deter and detect threats, mitigate security risks while minimizing costs wherever possible.

#### **BACKGROUND**

Since the Metro Board approved the award of a five-year, firm-fixed unit price contract to RMI for security guard services in September 2016, significant costs have been incurred to provide additional coverage for special events and new services and to support the increasing demand for visible security presence, system-wide, to deter crime and address homelessness.

In April 2018, Metro initiated an Ancillary Area Surge and provided a 24-hour system-wide security guard presence in the underground stations on the Red and Purple Rail Lines. Notably, since the surge, there has been a 56% reduction in removals of homeless trespassers from entering Metro's ancillary areas and a 100% reduction in trespasser arrests. Metro staff has also seen a 69% reduction in Facilities Maintenance Division (FMD) cleanups and an 87% reduction in repair requests.

An increase in staffing levels was also required to support the opening of the Southwest Yard facility in February 2019 and Location 64 in May 2019. Metro staff anticipates that an increase in 24-hour security guard presence will be required for the following: Soto, Mariachi Plaza, and North Hollywood

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Stations, the new Rosa Parks Customer Service area, and the opening of the new Crenshaw Line which consists of seven underground stations.

In addition, Contract No. PS560810024798 was impacted by the unforeseen higher living wage increases during the FY17/18 and FY18/19 budget cycles. These rates are subject to an annual increase every July 1. These rate increases have exceeded the originally anticipated annual rate of increase Metro advised proposing firms to use in determining their price proposals for multi-year contracts.

In October 2018, the Board approved the staff's recommendation to cap the annual living increases for both active and future contracts to 3% effective July 1, 2019. However, additional funding is still required to cover the unanticipated living wage rate increases from prior years.

## **DISCUSSION**

Under this contract, RMI provides security guard services at selected locations of the regional Metro System which includes rail and bus lines, stations, transit facilities, parking lots, construction sites, bus and rail operating divisions, and maintenance facilities. It also provides additional security guard services on an as-needed basis for special events and/or emergencies.

## **DETERMINATION OF SAFETY IMPACT**

This Board action will not have any negative impact on establishing safety standards.

## **FINANCIAL IMPACT**

The increase of \$18,400,000 will be added to the contract value in the System Security and Law Enforcement Department budget, in Cost Center 2610. Since this is a multi-year service contract, the Chief System Security and Law Enforcement Officer and the Project Manager will be responsible for budgeting costs for this multi-year service contract.

### **Impact to Budget**

The source of funds for these Projects will be local operating funds including Proposition A, C, TDA, Measure R and Measure M taxes. These funds are eligible for Bus and Rail operations.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommendation supports strategic plan goal 2.1 of committing to improving security. To achieve this goal, Metro will rely on a multi-layered, integrated security program that comprises of plans, organizing, equipment, training, exercises, technology, public awareness, and regional partnerships and collaborations.

## **ALTERNATIVES CONSIDERED**

The Board may decline to approve the contract modification. This alternative is not recommended as

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it will invite the following significant risks to our current security profile: 1) discontinuation of current security services covering selected portions of the LA Metro Transit System, including but not limited to underground stations, and 2) loss of necessary staff to address the exigent homeless situations on the LA Metro Transit System. Reduction in security presence will impair Metro's ability to attract and retain ridership and weaken strategies to prepare for system expansion and large scale National Special Security Events.

**NEXT STEPS**

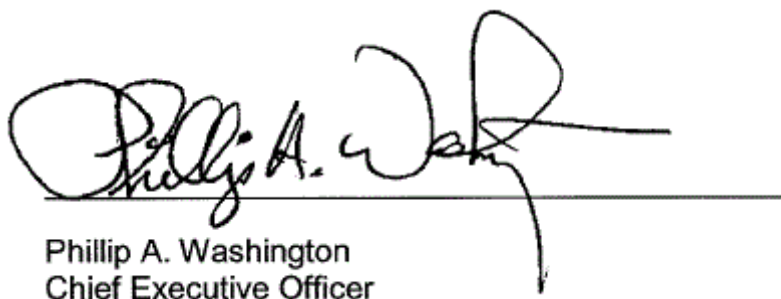
Upon Board approval, staff will execute Modification No. 6 to Contract No. PS560810024798 with RMI International, Inc., to continue to provide security guard services to the end of the contract term.

**ATTACHMENTS**

- Attachment A - Procurement Summary
- Attachment B - Contract Modification/Change Order Log
- Attachment C - DEOD Summary

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