



Agenda Item No. 4

To: Finance-Auditing Committee/Committee of the Whole
Meeting of April 10, 2008

From: Kary H. Witt, Deputy General Manager, Bridge Division
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE EXECUTION OF AN AMENDMENT TO CONTRACT NO. 2005-D-6, REVENUE COLLECTION, WITH SECURITAS SECURITY SERVICES USA, INC., RELATIVE TO A CONTRACT EXTENSION OF TIME**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors authorize execution of an amendment to Contract No. 2005-D-6, *Revenue Collection*, with Securitas Security Services USA, Inc., Sacramento, CA, in an amount not to exceed \$25,469 for a contract term extension not to exceed six months, effective May 1, 2008 to October 31, 2008, with the understanding that requisite funds for this contract extension are available in the FY 07/08 Bus and Ferry Divisions' operating budgets and with the further understanding that appropriate funds will be included in the FY 08/09 Bus and Ferry Divisions' operating budgets accordingly.

Summary

In May 2005, the District entered into a contract with Securitas Security Services USA, Inc., (Securitas) for revenue collection service. This service involves picking up and transporting Bus and Ferry transit revenue to the District's Vault using a vehicle provided by the District. The contract was for a two-year, base term, with an option to extend the term for a successive one-year term. The District exercised the option, and this contract will now expire on April 30, 2008.

On February 19, 2008, the District issued Request for Proposal (RFP) No. 2008-MD-4, *Revenue Collection*. The submission deadline date was March 18, 2008, and no proposals were received.

In researching the lack of interest in this RFP staff discovered that most potential Proposers did not want to utilize the District's customized vehicle instead of their own armored vehicle at considerable additional cost to the District. Securitas, the incumbent, did not submit a proposal because it is no longer interested in providing this type of transportation service, preferring instead to focus on its core business of security guard services.

While Securitas was not interested in responding to the RFP, it is willing to continue to provide its services at its current rates for up to an additional six months in order to help the District avoid interruption of this critical service. The District therefore proposes to extend the contract with Securitas for a contract term not to exceed six months, commencing on May 1, 2008, and terminating on October 31, 2008. Board authorization of this extension is required as the amount exceeds 10 percent of the original contract value.

During this contract extension period, staff will review other options for revenue collection, such as seeking proposals from armored car transportation services or utilizing in-house forces. Staff will review all options and provide a report of its findings and a recommendation to the Board within the next six months.

Fiscal Impact

Funds for May and June revenue collection services are included in the FY 07/08 Bus and Ferry Divisions' operating budgets. Funds for the remainder of the change order will be included in the FY 08/09 Bus and Ferry Divisions' operating budgets accordingly.