



**EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE  
MAY 19, 2005**

**SUBJECT: MEMORANDUM OF UNDERSTANDING (MOU) NUMBER TCP2610LASD  
WITH LOS ANGELES COUNTY SHERIFF'S DEPARTMENT FOR TRANSIT  
COMMUNITY POLICING SERVICES**

**ACTION: MODIFY MOU NOT-TO-EXCEED AMOUNT FOR FY06 TRANSIT  
COMMUNITY POLICING SERVICE LEVEL**

**RECOMMENDATION**

Authorize the Chief Executive Officer to:

- A. Execute Memorandum of Understanding (MOU) Modification No. 5 to MOU No. TCP2610LASD to provide funding for FY06 transit community policing services in the amount not-to-exceed \$54,916,716 for the period July 1, 2005 through June 30, 2006, and
- B. Add \$4.0 million to the MOU to provide contract authority for the expansion of community policing services for the Orange Line if revenues can be identified for the period July 1, 2005 to June 30, 2006,

Revising the Total Contract Value from \$104,735,575 to \$163,652,291 for the period July 1, 2005 through June 30, 2006.

**RATIONALE**

In February 2003, the Board approved a funding level for the Los Angeles County Sheriff's Department (LASD) in the amount not-to-exceed \$55,081,812. This amount included the FY04 funding level of \$47,212,982, \$4,148,995 for two months of services in FY03, and \$3,719,835 in start-up capital costs. Because the LASD was able to ramp up more rapidly in the first two months than had been anticipated initially, ensuring that the highest level of security continued into the new contract period, invoiced amounts actually reached \$6.2 million. Further, capital costs were negotiated to be paid in three equal installments of \$1.2 million each. The first was due in May 2003, the second in July 2004, and the third will be due in July 2005.

For FY04, staff was successful in negotiating a service level amount of \$51.9 million, \$3.2 million less than the \$55.1 million authorized by the Board but inclusive of the first \$1.2

million capital payment and the \$6.2 million. For FY05, staff negotiated a service level amount of \$51.5 million, which included the second capital payment, 60 additional security assistants and related supervision and clerical support and a security detail to provide enhanced coverage at the Union Station complex.

For FY06, the recommended service level amount is \$54.9 million which includes both the third and final \$1.2 million capital payment and \$686,090 for capital equipment required to augment new service for the Orange Line. The resulting new total contract value, including the proposed \$4.0 million for Orange Line policing services, would be \$163,652,291.

The FY06 recommended amount will fund continuation of the same number of service units as presently provided by LASD. When the Orange Line begins revenue operations on September 1, 2005, LASD will redeploy carefully chosen resources from the Blue, Green and Gold Lines and the Union Station complex to provide law enforcement services to the new line. New Orange Line coverage will be augmented with \$686,090 in new vehicles, radios and other equipment and weapons to aid in effective policing. Redeployed service units will be assigned in such a way as to ensure maintenance of the highest level of safety and security possible for patrons and employees while preserving budget integrity through the prudent use of limited resources.

Should \$4.0 million in additional revenue be identified with which to fully fund law enforcement services for the Orange Line, the FY06 service level amount would total \$58.9 million. LASD would provide, subject to negotiation, an estimated eleven additional 56-hour, one deputy service units, two non-relieved deputy units, one team leader, four motor deputy units, and twelve security assistants, including two new positions and ten transferred from the Blue and Green Lines.

### **POLICY IMPLICATIONS**

In July 2002 the Board adopted a comprehensive Security Policy addressing several aspects of the provision of law enforcement and security services to Metro patrons, employees and property. One of its goals was to bring Metro's law enforcement and security costs in line with comparable costs of other transit agencies and to target enterprise fund-related security costs at 5% of the total operating expenditures. As a result of the State Budget Crisis, certain areas within our budget were reduced. However, security is important to maintain a safe and viable transportation system. Staff is projecting the FY06 budget to reach an estimated 6.16% of FY06 enterprise fund expenditures. Staff will strive to reduce the target through monitoring deployment of security services and associated costs.

### **FINANCIAL IMPACT**

The funding of \$54.9 million for this contract modification inclusive of both startup and Orange Line capital is included in the FY06 proposed budget in cost center 2610, Operations Security. The recommended amount includes a 6.28% increase in service unit rates over those included in the FY05 contract. This increase is markedly higher than FY05's increase of 2.18% due in part to the March 2005 settlement of the Professional Peace Officer's Association contract negotiations. Further, should the \$4.0 million in additional revenue be

identified, these funds would also be placed in cost center 2610. Since this is a multi-year contract, the Project Manager and Deputy Chief Executive Officer will be accountable for budgeting the cost in future years, including any options exercised.

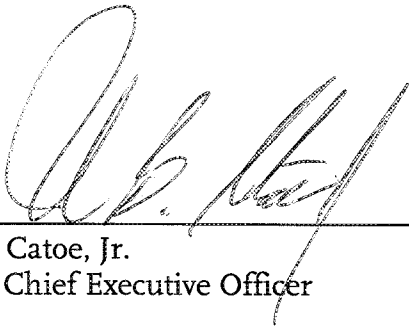
### **ALTERNATIVES CONSIDERED**

None. The LASD currently serves as Metro's contract agency for the provision of law enforcement services and is able to provide, on short notice, the requested personnel.

### **ATTACHMENTS**

- A. Procurement Summary
- A-1. Procurement History
- A-2. List of Subcontractors
- B. Level of Service Units

Prepared by: Carolyn Flowers, Executive Officer, Operations Administration



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John B. Catoe, Jr.  
Deputy Chief Executive Officer



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Roger Snoble  
Chief Executive Officer

**BOARD REPORT ATTACHMENT A  
PROCUREMENT SUMMARY**

**MOU NUMBER TCP2610LASD WITH LOS ANGELES COUNTY SHERIFF'S  
DEPARTMENT FOR TRANSIT COMMUNITY POLICING SERVICES**

1.	Contract Number: TCP2610LASD		
2.	Recommended Vendor: Los Angeles County Sheriff's Department		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$58,916,716 (inclusive of \$4 million for Orange Line)	Recommended Price: \$58,916,716 (inclusive of \$4 million for Orange Line)	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Service Unit		
5.	Procurement Dates:		
	A. Issued: N/A		
	B. Advertised: N/A		
	C. Pre-proposal Conference: N/A		
	D. Proposals Due: N/A		
	E. Pre-Qualification Completed: N/A		
	F. Conflict of Interest Form Submitted to Ethics:		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: N/A	Date Small Business Evaluation Completed: N/A	
	Small Business Commitment: N/A		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: N/A	Bids/Proposals Picked up: N/A	Bids/Proposals Received: N/A
8.	Evaluation Information:		
	A. Bidders/Proposers Names:  Los Angeles County Metropolitan Transportation Authority	<u>Bid/Proposal Amount:</u>  \$58,916,716 (inclusive of \$4 million for full support of Orange Line)	<u>Best and Final Offer Amount:</u>  
	B. Evaluation Methodology: Methodology Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: N/A		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: Timothy Godfrey	Telephone Number: (213) 922-2839	
11.	Project Manager: Carolyn Flowers	Telephone Number: (213) 922-2170	

**BOARD REPORT ATTACHMENT A-1  
PROCUREMENT HISTORY**

**MOU NUMBER TCP2610LASD WITH LOS ANGELES COUNTY SHERIFF'S  
DEPARTMENT FOR TRANSIT COMMUNITY POLICING SERVICES**

**A. Background on Contractor**

The Los Angeles Sheriff's Department (LASD) is the largest sheriff's department in the world. In addition to specialized services, the LASD currently operates and provides contract services throughout and within the many cities that comprise Los Angeles County. In addition, LASD provided transit law enforcement services to Metro over a five-year period under Contract OP2610LASD and Interim Contract PS2610LASD prior to the existing services being provided under the current Contract TCP2610LASD. LASD has provided satisfactory transit law enforcement services under these contracts.

**B. Procurement Background**

On February 27, 2003, the Board authorized the Chief Executive Officer (CEO) to negotiate and execute a Memorandum of Understanding with the County of Los Angeles for Sheriff's Department Transit Community Policing Services, for a period of five years, inclusive of two one-year options, not to exceed \$47,212,982 for FY04, and \$7,868,830 for two months service in FY03, inclusive of all start-up capital costs and annualized capital expenses.

Modification number 1 was executed under CEO authority in March 2004. This modification added \$50,000 to the Special Overtime Fund for the Accident Reduction Program along Wilshire Boulevard to support the enforcement of traffic laws in the targeted problem areas on this street.

Modification numbers 2 and 3 were approved by the Board of Directors in May 2004. Modification number 2 added \$500,000 to the MOU for contingency funding to cover emergency services required for heightened security after the Madrid train bombing. Modification number 3 added funding in the amount of \$49,054,950 for FY05 to cover service levels for FY05.

Modification number 4 was approved by the Board of Directors on July 15, 2004. Modification number 4 added a not to exceed amount of \$116,813 to fund an additional non-relieved deputy unit to fill a full-time anti-terrorism trainer position.

**C. Evaluation of Proposals**

LACMTA's review of proposal received from LASD for FY06 service level under the subject contract consisted of a mathematical accuracy check and reconciliation of proposed rates to support documents provided by the Los Angeles County Auditor Controller's Office.

**D. Cost/Price Analysis Explanation of Variances**

The recommended price has been determined to be fair and reasonable based upon a cost comparison analysis of the proposed service levels for FY06 versus the service levels provided in FY05. The cost comparison factored in a rate increase of approximately 6% across the service units. These rates increases are consistent with the rate increases recently agreed to as a result of LASD union negotiations.

**BOARD REPORT ATTACHMENT A-2  
LIST OF SUBCONTRACTORS**

**MOU NUMBER TCP2610LASD WITH LOS ANGELES COUNTY SHERIFF'S  
DEPARTMENT FOR TRANSIT COMMUNITY POLICING SERVICES**

**PRIME CONTRACTOR** – Los Angeles County Sheriffs Department

**Small Business Commitment**

**Other Subcontractors**

N/A

N/A

Total Commitment 0%



**BOARD REPORT ATTACHMENT B  
LEVEL OF SERVICE UNITS FOR FY06**

**MOU NUMBER TCP2610LASD WITH LOS ANGELES COUNTY SHERIFF'S  
DEPARTMENT FOR TRANSIT COMMUNITY POLICING SERVICES**

Proposed FY06 Service Units	Number	Unit	Annual Cost
56 Hour Two Deputy Units	52	501,841	26,095,724
56 Hour One Deputy Units	38	250,920	9,534,976
Non-Relieved Deputy Units	14	162,935	2,281,095
MET Deputy	2	171,938	343,876
Team Leaders	11	171,938	1,891,319
Team Leader - Motor Officer	1	179,234	179,234
Canine Deputy	2	171,938	343,876
Motor Units	20	169,745	3,394,903
Security Assistant	110	74,630	<u>8,209,349</u>
			52,274,353
Special Overtime Fund		600,000	
Workers Compensation	9.69%	58,188	
Canine Support		<u>13,004</u>	
Subtotal		671,192	
Liability Insurance	3.00%	20,136	
Training Fund		<u>25,000</u>	
Total Supplemental Cost			<u>716,328</u>
Total Contract Cost			52,990,681
Estimated Start-up Costs (1)			1,239,945
Capital Equipment for Orange Line			<u>686,090</u>
Third Year Total Costs (exclusive of full support for Orange Line)			54,916,716
*Orange Line Full Support			<u>4,000,000</u>
			<u>58,916,716</u>

(1) Third and Final payment of start-up costs - these costs negotiated to be paid in 3 installments

\*The \$4 Million revenue for full support for Orange Line will fund an additional eleven 56-hour, one deputy service units, two non-relieved deputy units, one team leader, four motor deputy units, and twelve security assistants, including two new positions and ten transferred from the Blue and Green Lines.

