

Board Action

• Board of Directors Organization, Personnel and Effectiveness Committee

10/14/2025 Board Meeting

8-3

Subject

Authorize an extension to June 30, 2026, on the existing 5-year contract with Securitas to provide security guard services; and authorize an increase of \$6 million in funding for the contract to a new not-to-exceed amount of \$61 million; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

Currently, Metropolitan has a five-year, \$55 million security guard contract with Securitas. The contract period began on January 1, 2021, and is scheduled to terminate on December 31, 2025. Metropolitan anticipated a timely transition to the new contract and has received three competitive bids for that new contract. Unexpectedly, Metropolitan received a protest from one of the bidders. Resolution of the bid protest may not allow for the timely award of and transition to the new contract. To allow time for processing the protest, staff recommends amending the existing contract with a six-month time extension to June 30, 2026, and an increase of the contract's not-to-exceed amount to \$61 million to cover the extended duration. The increase will cover the anticipated costs of Metropolitan's contracted security needs through the end of the contract extension period. The funds utilized for the amended contract are budgeted in Metropolitan's current biennial budget, and this action does not increase the planned expenditures for the security services for the remainder of the two-year budget cycle. It is anticipated this protest will be resolved and the new contract will be awarded before the June 30, 2026, extension date.

Proposed Action(s)/Recommendation(s) and Options

Staff Recommendation: Option #1

Option #1

Authorize an extension to June 30, 2026, on the existing five-year contract with Securitas to provide security guard services; and authorize an increase of \$6 million in funding for the contract to a new not-to-exceed amount of \$61 million.

Fiscal Impact: Expenditure of an additional \$6 million in operations and maintenance funds, which is a budgeted and planned for expenditure in the current and next biennial budget periods.

Business Analysis: This option will extend the contract for six months and provide the necessary funding of \$6 million through the end of the extended contract period to meet the security needs stated in Metropolitan's Security Action Plan.

Option #2

Do not proceed with a six-month extension amendment and instead approve a month-to-month extension of the guard services contract at an anticipated cost of \$1.1 million per month.

Fiscal Impact: None.

Business Analysis: This option may need significant administrative resources to negotiate month-to-month guard services and require additional board approvals.

Alternatives Considered

Not applicable

Applicable Policy

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Related Board Action(s)/Future Action(s)

By Minute Item 52176, dated November 10, 2020, the Board authorized entering into an agreement with Securitas to provide security services for a five-year contract for a maximum payable total of \$55 million, as set forth in Agenda Item 7-6 board letter.

California Environmental Quality Act (CEQA)

CEQA determination(s) for Option #1:

The proposed action is not defined as a project under CEQA because it involves organizational, maintenance, or administrative activities; personnel-related actions; and/or general policy and procedure making that will not result in direct or indirect physical changes in the environment. (Public Resources Code Section 21065; State CEQA Guidelines Section 15378(b)(2) and (5)).

CEQA determination(s) for Option #2:

None required

Details and Background

Background

Metropolitan owns and operates critical water infrastructure throughout Southern California. On October 23, 2018, Congress passed the America's Water Infrastructure Act, authorizing the U.S. Environmental Protection Agency (USEPA) to collect vulnerability assessments and an emergency response plan from drinking water utilities. Subsequently, the U.S. Department of Homeland Security (DHS) was also given the responsibility for assessing and protecting the nation's critical infrastructure, including the water sector.

Both DHS and USEPA provide guidance and oversight for water utilities to protect critical water infrastructure. These agencies stress the benefits provided by a professional guard force for controlling access, patrolling, and responding to incidents. Further, Metropolitan's ability to protect its employees and facilities—and to adjust its response to changing threats—requires the flexibility and specialization best obtained through contracted guard services, which can provide on-call emergency staffing and specialized capabilities on short notice.

In order to provide around-the-clock, flexible response capabilities, security guard services have been secured independent of Metropolitan's workforce for decades. The security services include their own supervision and guard coverage at 18 major facilities (including Union Station Headquarters), and additional roving security patrols during off-hours and at unattended facilities. The guards facilitate access for employees, verify access for contractors and vendors, and observe and report any threats, intrusion attempts, or other emergencies. In addition, Metropolitan uses the guard service to staff the Security Watch Center and continuously monitor Metropolitan's system-wide electronic security system. This contracted service allows trained security staff to respond to threats without diverting water treatment plant and system operators from their core operational responsibilities.

The contract guard service provides Metropolitan maximum flexibility to close guard posts in areas where they are no longer needed or create new ones in conjunction with changing site conditions or threats. The guard service also provides a surge capacity of up to 20 percent more staff (40 guards) within 24 hours of any emergency request, thereby assuring the capacity to rapidly augment protection to meet emergency demands. In November 2020, the Board approved a five-year contract with Securitas Security Services Inc. for a maximum

payable of \$55 million. Since the time the contract was signed in 2020, Metropolitan has expanded the contract functions significantly to accommodate the evolving and changing security threat environment.

In December 2015, Security established an enhanced Security Action Plan to augment the security posture at Metropolitan. Additionally, other more recent factors have increased the need for additional security services. These factors include, but are not limited to, unprecedented wildfires and emergency declarations, the explosive growth in homelessness and resulting trespass and encroachment issues, civil unrest, and an increased need for armed guards at Metropolitan facilities.

Due to the upcoming scheduled termination of the current contract on December 31, 2025, and the evolving security threat environment, Metropolitan commenced the process to select a vendor for a new security contract in May 2025. The first step of the process involved identifying qualified firms for the subsequent bidding process. Ultimately, five firms were qualified for bidding, and three firms submitted bids for the new contract. Bids were opened in September 2025, and staff was prepared to make a recommendation to the Board for award in October 2025. However, Metropolitan unexpectedly received a bid protest. The protest resolution process will require additional time before a new contract can be presented to the Board for approval. Once the protest is resolved, staff will bring an action item to the Board to award the new contract.

Staff estimates the protest will take less than six months to process the protest, but based on prior experience, lengthy delays to the resolution process are possible. Consequently, staff recommends extending the current contract with Securitas to June 30, 2026. The contract extension will require that the expenditure limit of the contract be increased by \$6 million to ensure that Securitas can provide the necessary services through the extension period. The funds utilized for the amended contract are budgeted in Metropolitan's current biennial budget, and this action does not increase the planned expenditures for the security services for the duration of the two-year budget cycle.

Summary

This action authorizes an extension of the existing five-year agreement with Securitas to provide security guard services through June 30, 2026, and a \$6 million increase of the not-to-exceed amount of the contract to \$61 million.

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Safety, Security & Protection Officer

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