

# AGENDA REPORT

**TO:** DEANNA J. SANTANA  
CITY ADMINISTRATOR

**FROM:** Brooke A. Levin  
Interim Director, PWA

**SUBJECT:** Supplemental Security Services Contract

**DATE:** November 7, 2013

City Administrator  
Approval

*Deanna J. Santana*

Date

*11-18-13*

**COUNCIL DISTRICT:** City-Wide

## RECOMMENDATION

Staff recommends that the City Council approve a resolution awarding a security services contract for City facilities for a term period of three years and with satisfactory performance a three year extension option to Cypress Private Security (Cypress) in an amount not-to-exceed two million dollars (\$2,000,000) annually; and to extend the contract on a month-to-month basis upon expiration of the original or extended term until a new request for proposal process is completed.

## REASON FOR SUPPLEMENTAL REPORT

On October 22, 2013, staff presented a recommendation to award a security services contract to Cypress Private Security. Several members of the public and representatives from two competing firms posed questions regarding the recommendation. The Public Works Committee (PWC) requested that staff return with additional information on the security contract recommendation and responses to the questions raised as follows:

- Describe the scoring/ranking procedures
- Explain the protest procedures
- What was the LBE/SLBE certification process
- Reason MBE/years in Oakland was not listed in scoring
- Ensure the contract provides for securing the Frank H. Ogawa Plaza (FHOP) and additional coverage for meetings
- Explain why the security contract is under PWA as opposed to the Oakland Police Department
- Remove the "auto-renewal" language from the recommendation

Item: **3**  
PWA Committee  
December 3, 2013

**OUTCOME**

Approval of the resolution would authorize the City Administrator to award Cypress Private Security a three (3) year contract for an amount not-to-exceed two million dollars (\$2,000,000) annually and to extend the contract on a month-to-month basis, until a new request for proposal is conducted and a new contract is executed.

**ANALYSIS**

This section responds to questions from the PWC on October 22, 2013. The items the PWC requested are:

***Scoring/Ranking Procedures***

The City announced the RFP and held a mandatory pre-proposal conference. Representatives from 11 firms attended the conference. Five (5) firms submitted proposals by the proposal due date.

***Compliance Review***

The City Administrator's Office, Contracts and Compliance Unit conducted a compliance review of five (5) proposals in response to the above referenced project. A copy of the full compliance analysis report was included in the Agenda Report dated September 25, 2013. During the PWC meeting the L/SLBE and Years in Oakland Preference points were questioned. The points were reflected in that report and on the table below:

Table 1

Company Name	Earned Credits and Discounts		
	L/SLBE Participation Preference Points	Years in Oakland Preference Points	Oakland Workforce Preference Points
	A	B	C
A1 Protective Services, Inc	5 points	0 points	0 points
ABC Security Services	5 points	1.5 points	0 points
BMT International Security Services	5 points	.5 points	0 points
Cypress Private Security, LLC	5 points	0 points	0 points
First Alarm	2 points	0 points	0 points

As noted above in Table 1, Column A, four of the five competing vendors earned the maximum number of preference points for local business participation. In Column B three (3) of the five (5) firms did not earn points for years in Oakland, two earned .5 and 1.5 respectively. Firms earned points according to the self reported information in their certification application. Under

Column C none of the firms submitted information validating the Oakland workforce preference points.

*Review of RFP Submittal*

The proposals were reviewed to ensure that they were complete and included the required documents and information included in the RFP. All proposals were rated on a pass/fail and all five (5) respondents were invited to participate in the oral interviews.

*Invitation to Participate*

Letters were mailed out to the five firms inviting them to participate in the interview process. Each firm was advised that there would be a series of structured questions and the opportunity for them to provide a presentation to a panel of evaluators that would rate and determine the best technically qualified company for further consideration.

Due to a clerical error the wrong date was placed on one interview letter. The letter stated April 24, 2013 instead of April 26, 2013 as the interview date, which resulted in the firm arriving for the interview two days early. Staff apologized for the error, provided the correct information, and assured the firm that they were scheduled and would be able to present and compete in the process.

Please see sample letter included as *Attachment A*.

*Interviews*

All five of the firms accepted the invitation and the interviews were conducted on April 26, 2013. The interviews consisted of a Question and Answer session with a panel of subject matter experts and a series of eight questions intended to evaluate each firm's communication, relevant experience, technical expertise, guard qualifications, project knowledge and management qualifications.

The interview questions were rated on a scale of 1-10 with weighting. A total maximum score of 100 points was possible. The break down and maximum possible score for each section is below:

Presentation and Communication -	maximum 15 points
Relevant Experience -	maximum 15 points
Guard Qualifications -	maximum 20 points
Project Knowledge and Planning -	maximum 25 points
Management Qualifications, Administrative Capacity -	maximum 25 points

The final results of the interview process are reflected on the table below:

Table 2

Contractor	Average	Ranking
Cypress Security	99.33%	1
First Alarm Security and Patrol	93.83%	2
A-1 Protective Services	93.17%	3
ABC Security Service	80.5%	4
BMT International Security	61.83%	5

Points for the RFP submittals and the compliance with the City's L/SLBE requirements are not included in scores above.

**Protest Procedures**

During the PWC meeting one of the firms stated the City violated the California Public Contract Code 10345, Section C. This code applies to low bid processes. As a Professional Services RFP, the selection process for this contract is based on qualifications, and protest procedures do not apply. Firms have the opportunity to object (protest) staff recommendations starting at the point when the agenda report is released. On October 3, 2013, staff notified all five of the firms via email that a recommendation was being presented to the PWC for discussion; the email correspondence included a link to the agenda calendar and the report.

**LBE/ SLBE Certification Process**

All firms eligible for L/SLBE certification were awarded points accordingly by the City Administrator's office, Contracts and Compliance Unit. As such, each competing vendor earned the maximum points allowable for certification. Please see the specifics of the certification process as follows in the table below:

Table 3

<b>Local Business Enterprise (LBE)</b>	<ul style="list-style-type: none"><li>• Substantial presence in Oakland</li><li>• Operational for at least twelve (12) consecutive months</li><li>• valid business tax license</li><li>• fixed office space</li><li>• employees in fixed office</li><li>• permits and fines and fees are current</li><li>• documents certifying the existence of the business (contracts, leases bills, etc)</li><li>• registration in the City's iSupplier system</li></ul>
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<b>Small Local Business Enterprise (SLBE)</b>	All of the above plus: <ul style="list-style-type: none"><li>• Documentation of 3 years average annual gross receipts that are less than 30% of the SBA's size standard for the firm's industry sector.</li></ul>
<b>Very Small Local Business Enterprise (VSLBE)</b>	All of the above except: <ul style="list-style-type: none"><li>• Fully operational for six consecutive months</li><li>• Average annual gross receipts at or below \$375,000</li></ul>
<b>Local Business Enterprise –Locally Produced Goods (LBE-LPG)</b>	Same as LBE except: <ul style="list-style-type: none"><li>• Business must manufacture goods within the Oakland geographic boundaries</li></ul>
<b>Not for Profit Local Business Enterprise (NPLBE)</b>	Same as LBE plus: <ul style="list-style-type: none"><li>• Business must produce documentation of nonprofit status</li></ul>

***Reason MBE / Years in Oakland was not listed in scoring***

According to the City Administrator's office, Contracts and Compliance Unit the City has not certified MBE(s) since 1996. Credit for years in Oakland was awarded according to information provided by the proposer. Each proposer was emailed on March 11, 2013 with a request to respond to the Oakland Residency Verification form which helps to validate the workforce.

With regard to years in Oakland, each proposer was awarded credit according to the years of service as reported, by the proposer, on their certification application.

***Ensure the contract provides for securing the plaza and additional coverage for meetings***

The contract provides for additional guards for special events, meetings or other security needs. The placement of guards and request for additional support and coverage is done through the coordination of the designated City representative.

***Why is the Security Contract under the PWA***

PWA is responsible for maintaining City facilities and ensuring the Health and Safety of the buildings' occupants and visitors. This includes the maintenance of Fire/Life Safety systems, building alarms, access control systems, closed circuit TV systems (CCTV), doors, locks and other security features.

All of this is related to the health, safety and security of City facilities and requires direction, communication, coordination and constant interaction with the guards. The guards are an integral part of the operation of City facilities. PWA has managed contracted unarmed security guards at City facilities for approximately 20 years.

***Remove the "auto-renewal" language from the recommendation***

The proposed contract includes a provision for an extension of the contract based on Satisfactory Performance. This is not considered an automatic renewal. A full Consultant Performance Evaluation must be completed at the end of the 3 year term.

For questions regarding this report, please contact Derin Minor, Building Services Manager, at 238-3998.

Respectfully submitted,



BROOKE A. LEVIN

Interim Director, Public Works Agency

Reviewed by:

Susan Kattchee, Acting Assistant Director

Prepared by:

Derin Minor, Building Services Manager

**Attachment A** – Invitation to participate in selection process

Item: \_\_\_\_\_  
Public Works Committee  
December 3, 2013



**Public Works Agency**  
Building Services Manager  
Facilities Services Division

250 FRANK H. OGAWA PLAZA SUITE 1329 OAKLAND, CALIFORNIA 94612

Public Works Agency  
Facilities Services Division

(510) 238-3219  
FAX (510) 238-7363  
TTY (510) 238-3254

April 9, 2013

Re: City of Oakland Security Guard Service Contract 2013

Dear

Congratulations! Your company is invited to participate in the interview process for the above-referenced contract. Details of the interview are:

- Date: April 26, 2013 (Friday)
- Time: 9:00am – 9:45am
- Location: 250 Frank H. Ogawa Plaza #1329, Oakland, CA 94612.

The interview will consist of two parts. The first part is a series of structured questions to determine the ability of your company in providing the desired and adequate security services for the City of Oakland at different City locations for the duration of the contract. During the interview, your company will also have the opportunity to perform a presentation to a panel of evaluators, who will rate the answers to the structured questions and presentation of the participants to determine the most qualified company for further consideration. So, please come prepared to demonstrate why your company is the best candidate for this contract.

Due to the schedule of the evaluators, this interview time cannot be changed. Please arrive at least 15 minutes before your interview. If you have any questions regarding this letter, please contact Mei Chan via email at [mchan@oaklandnet.com](mailto:mchan@oaklandnet.com).

Thank you again for your interest in providing security guard services to the City.

Very truly yours,

  
Derin Minor  
Building Services Manager

DM mc

**3**  
PUBLIC WORKS CMTE

DEC 03 2013

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

# OAKLAND CITY COUNCIL

**DRAFT**  
City Attorney

2013 NOV 2 RESOLUTION No. \_\_\_\_\_ C.M.S.

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RESOLUTION AWARDING A SECURITY SERVICES CONTRACT FOR CITY FACILITIES FOR A TERM PERIOD OF THREE YEARS AND WITH SATISFACTORY PERFORMANCE A THREE YEAR EXTENSION OPTION TO CYPRESS PRIVATE SECURITY (CYPRESS) IN AN AMOUNT NOT-TO-EXCEED TWO MILLION DOLLARS (\$2,000,000) ANNUALLY; AND TO EXTEND THE CONTRACT ON A MONTH-TO-MONTH BASIS UPON EXPIRATION OF THE ORIGINAL OR EXTENDED TERM UNTIL A NEW REQUEST FOR PROPOSAL PROCESS IS COMPLETED.

**WHEREAS**, the City of Oakland has various municipal facilities and properties that require unarmed security personnel to provide security services to protect the public, city personnel, officials and property; and

**WHEREAS**, these facilities include, but are not limited to, Civic Center Complex, specifically at the Frank H. Ogawa Plaza, City Hall, the Dalziel and Lionel J. Wilson Buildings, 7101 Edgewater, 5050 Coliseum, 750 50th Avenue, various branch libraries, senior centers, Malonga Casquelourd Center and other City facilities requiring security services; and

**WHEREAS**, the City issued a request for proposals and interviewed all five (5) companies who submitted proposals and the most qualified firm was selected by reviewers to be recommended for the security contract; and

**WHEREAS**, Cypress ranked number one (1) in the request for proposal process, met the minimum 20% Local Business Enterprise and Small Local Business Enterprise participation requirement and is recommended for the contract to provide security services at all other City sites based on their experience providing security services at government and municipal sites; and

**WHEREAS**, the City Council finds and determines that the performance of this contract is in the public interest because of economy; and

**WHEREAS**, funds are available in the Facilities Services Fund (4400), Library Services Retention-Enhancement Fund (2240) and Multipurpose Reserve Fund (1750); and

**WHEREAS**, the City Council finds and determines that this contract is of a professional, scientific or technical and temporary nature and shall not result in the loss of employment or salary of any person having permanent status in the competitive services; now, therefore, be it



**RESOLVED:** That the City Administrator or designee is hereby authorized to enter in to a three (3) year agreement, with a three (3) year option to extend upon satisfactory performance by the contractor, with Cypress Private Security for security guard services at all City facilities for an amount not to exceed \$2,000,000.00 annually; and be it

**FURTHER RESOLVED:** That the City Administrator is authorized to extend the contract with Cypress Private Security on a month-to-month basis at expiration of the contract if the City has not yet completed a new request for proposal process and review, until such time as the City completes a new competitive process and awards a new contract; and it be

**FURTHER RESOLVED:** That the City Administrator or designee is hereby authorized to conduct all negotiations, execute and submit all documents, including but not limited to agreements, amendments, extensions, modifications, payment requests and related actions, which may be necessary for the completion of the aforementioned agreement in accordance with its basic purpose; and be it

**FURTHER RESOLVED:** That a copy of said agreement will be approved by the Office of the City Attorney for form and legality and a copy will be on file in the Office of the City Clerk

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 20\_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, KALB, GIBSON-MCELHANEY, KAPLAN, REID, GALLO, SCHAFF and PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California

**3**

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DEC 03 2013