



AGENDA REPORT

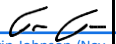
TO: Jestin D. Johnson
City Administrator

FROM: G. Harold Duffey
Director,
Oakland Public Works

SUBJECT: ABC Security Services Inc.
Increase Spending Authority

DATE: December 5, 2023

City Administrator Approval


Jestin Johnson (Nov 7, 2023 21:33 PST)

Date: Nov 17, 2023

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution:

Authorizing The City Administrator To Increase The Contract Spending Authority For The ABC Security Services Inc. Contract To Five Hundred Thousand Dollars (\$500,000) Per Month For A Total Not-To-Exceed Amount Of Three Million Five Hundred Thousand Dollars (\$3,500,000) Contingent Upon Available Funds To Ensure Service Continuity; And Waive The Competitive Request For Proposal/ Qualification Selection Requirement.

EXECUTIVE SUMMARY

The City of Oakland (City) contracts security services at City facilities with ABC Security Services Inc., as approved in 2018 by Resolution No. [87321 C.M.S.](#) and amended by Resolution No.'s [89440 C.M.S.](#) dated October 18, 2022, and Resolution No. [89604 C.M.S.](#) dated February 21, 2023, to provide additional spending authority, and extend the contract to expire on June 23, 2024. The current contract spending authority, as last amended, has been exhausted and requires further increase to continue to provide security services in the amount of \$500,000 per month, not-to-exceed a total amount of \$3,500,000, with authorization for the City Administrator to increase the contract authority contingent upon availability of funds to ensure service continuity.

The City has issued a Request for Proposal (RFP) No. 296336 for Citywide security services. Staff has prepared an agenda report for Council approval. The new contract is projected to commence in February 2024. Once a new contract is awarded, there will be a one-month overlap in security services to provide a smooth transition if necessary and to avoid a lapse in security services. Therefore, an additional \$500,000.00 per month in contract spending authority is needed through February 2024.

REASON FOR URGENCY

City Council
December 5, 2023

The spending authority for the current contract for security services was increased per Oakland City Council Resolution 89440 C.M.S. and 89604 C.M.S. by five million six hundred thousand dollars (\$5,600,000) for a total not-to-exceed contract amount of eighteen million one hundred thousand dollars (\$18,100,000). This increase allowed the continued utilization of unarmed security officers with the existing security services contract, which is valid until June 23, 2024. Resolution 89604 C.M.S. specified this contract will be in effect on a month-to-month basis through June 23, 2024, however; contract spending authority and budget appropriation were not adjusted. The anticipated award of the new contract for security services is February 2024.

BACKGROUND / LEGISLATIVE HISTORY

The City utilizes the services of uniformed, unarmed, and armed contract security guards as directed at City facilities to screen and provide direction and access for city staff and the public, oversee and monitor city property, and ensure the safety of staff and visitors.

Council approved Resolution No. 87321 C.M.S. to award ABC Security Services Inc. a security services contract for a term period of three (3) years with an option to extend the contract in increments of one year for up to two additional years. The contract, in the amount not-to-exceed a total of twelve million five hundred thousand dollars (\$12,500,000), was based on forecasted security needs at the time of the contract (**Attachment A**). **Table 1** shows all resolutions with contract time and capacity amount.

Table 1							
Resolution	Resolution Description	Reso Date	Contract Start Date	Contract End Date	Amount per Unit	Not-to-Exceed Amount	
87321	Initial Security Services	7/24/2018	10/30/2018	10/23/2023	\$2,500,000/Year	\$ 12,500,000.00	
89440	Amendment #1 - Spending authority only	10/18/2022	Unchanged	Unchanged	\$400,000/Month	\$ 1,600,000.00	
89604	Amendment #2 - Contract extension and spending authority	2/21/2023	10/23/2023	6/23/2024	\$500,000/Month	\$ 4,000,000.00	
	Needed - Increase spending authority to amend Reso #89604				\$500,000/Month		
Total Contract Amount:						\$ 18,100,000.00	

The current contract provides security services at Civic Center Complex (City Hall, Dalziel, Lionel J. Wilson, and the Frank H. Ogawa Plaza buildings), all libraries, four senior centers, various recreation centers identified by Oakland Parks and Recreation Department, and Oakland Public Work’s Corporation Yards. The contractor also provides additional services at other locations that require emergency security coverage or as-needed services, such as:

- Additional security for public/ community meetings
- Additional security support for City departments
- Security support for encampment management activities
 - Wood Street costs \$126,000.
- Emergency security support (Fire/ disaster response, vandalism, break-ins)
 - Fence breach and equipment stolen at Joaquin Miller Park cost \$195,000.

- Security services for City construction projects

In June 2022, the City initiated an RFP to secure the most qualified security services firm for a new contract. Legal advertisements were placed in July 2022, and responses were received in August 2022. The City received six (6) proposals for the RFP, which were reviewed for completeness.

An interview process was conducted in November 2022, and an agenda report and recommendation for the award of the new security contract will be brought to the Council for consideration and approval. The anticipated start date of the new contract is February 2024.

ANALYSIS AND POLICY ALTERNATIVES

The Public Works Department has completed the RFP/ RFQ process and is recommending the award of the security contract in a separate agenda report that is being presented to the Council later this year.

Awarding this contract will support the City's goal of **Holistic Community Safety**. City employees in Oakland facilities, centers, and offices receive daily visits from thousands of citizens, including youth and seniors. These individuals participate in City programs, conduct city business, or attend public meetings or events. Having a professional security presence to provide direction, guidance, information, and security at these facilities is critical to the positive experience for staff and visitors.

Failure to increase the funding capacity will create a lapse in security services, compromising the safety of our employees and the public. The budget authority is \$4.9 million for Fiscal Year 2023-2024, and emergency security coverage or as-needed services over the past year has pushed the cost higher than the annual appropriation allows.

To avoid a lapse in security services, the Council may approve spending authority of five hundred thousand dollars (\$500,000) per month for a not-to-exceed amount of three million five hundred thousand dollars (\$3,500,000), with authorization for the City Administrator to increase contract authority contingent upon availability of funds to ensure service continuity. Council can consider the following options for security services delivery in FY2023-24:

- **Option A** – Reduce current services beginning in December 2023 to align with the remainder of budget funding. Department funding will be about \$342,000 per month, or 68% of the current funding levels.
 - o Possible examples of reduced security services include:
 - Reduction of homeless encampment support
 - Elimination of metal detectors / enhanced security at City Hall
 - Reduction of Civic Center Plaza Roving security
 - Elimination of Civic Center security escorts

- Reduction of support for vandalism and fire damage (i.e., Clinton Square, Cryer Building, Miller Library, Mosswood Recreation Center, Rotary Nature Center, and Junior Science Center)
 - Overnight security at corporation yards
 - 750 – 50th Avenue, 5050 Coliseum, 7101 Edgewater, Shephard Canyon, Lake Merritt.
- **Option B** – Continue at current service levels and exhaust funding by February 2024; additional budget authority would be needed to continue services through the end of the year, or the project will be overspent by approximately \$1.1 million.

WAIVER OF REQUEST FOR PROPOSAL/ QUALIFICATIONS REQUIREMENT

Oakland Municipal Code section 2.04.051.A requires the City Administrator to conduct a request for proposals/qualifications (RFP/Q) process for professional services contracts in excess of \$25,000, and Oakland Municipal Code section 2.04.051.B allows the Council to waive the RFP/Q requirements upon a finding by the Council that it is in the best interest of the City to do so.

City staff believes it is in the best interests of the City for the Council to waive the RFP/Q requirement for this contract because staff has prepared a recommendation for the Council to award a contract for RFP# 269336, and the City wishes to prevent any delay or lapse of vital and critical security services at City facilities, municipal buildings, and properties. Staff recommends the Council waive the RFP/Q requirement for these reasons and circumstances.

ABC Security Services Inc. shall continue to comply with all City contracting and compliance program requirements that apply to this contract, including Local Business Enterprise and Small Local Business Enterprise (LBE/SLBE) participation, and be verified by the Department of Workplace and Employment Standards.

FISCAL IMPACT

Currently, \$3.9 million of the \$4.9 million appropriation for security services is available in the Facilities Services Fund (4400) Project (1005170) for Fiscal Year 2023-2024. Contract spending authority of \$500,000 per month not-to-exceed amount of \$3,500,000 through February 2024 is requested to maintain current service levels, with authorization for the City Administrator to increase contract authority contingent upon availability of funds to ensure service continuity. This is a master security services contract, and funding for emergency security services and other departmentally identified needs will have funding identified at the point of request provided by the requesting department.

Funding at the current service levels is projected to be exhausted in February 2024. After February 2024, any services provided through this contract will result in overspending and will require additional budget appropriation to be identified.

PUBLIC OUTREACH / INTEREST

This item did not require any additional public outreach other than the required posting on the City's website and local advertising via a newspaper.

COORDINATION

Oakland Public Works, Bureau of Maintenance and Internal Services, Facilities Services Division staff coordinated with the City Administrator's Office, the Budget Office, and the Office of the City Attorney.

SUSTAINABLE OPPORTUNITIES

Economic: ABC Security Services Inc. meets the required L/SLBE requirements consistent with the initial contract requirements. The local economy will benefit from the services provided through job opportunities and generating business tax revenue.

Environmental: No environmental opportunities are identified to be available through this contract.

Race and Equity: The resolution will provide security officers from various ethnic and social backgrounds to provide screening, information and directions to a diverse group of visitors, employees and others in support of equal and inclusive access to City programs and services and the preservation of City assets and safe and secure facilities.

ACTION REQUESTED OF THE CITY COUNCIL

Authorizing The City Administrator To Increase The Contract Spending Authority For The ABC Security Services Inc. Contract To Five Hundred Thousand Dollars (\$500,000) Per Month For A Total Not-To-Exceed Amount Of Three Million Five Hundred Thousand Dollars (\$3,500,000) Contingent Upon Available Funds To Ensure Service Continuity; And Waive The Competitive Request For Proposal/ Qualification Selection Requirement.

For questions regarding this report, please contact Derin Minor, Building Services Manager, at (510) 238-3998.

Respectfully submitted,


G. Harold Duffey (Nov 17, 2023 15:24 PST)

G. HAROLD DUFFEY
Director, Oakland Public Works

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Facilities Services Division