



AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: Michael Kashiwagi
Interim Director,
Oakland Public Works

SUBJECT: Amend ABC Security Services Inc.
Contract to Extend Contract and
Increase Spending Authority

DATE: July 2, 2024

City Administrator Approval


Jestin Johnson (Jun 18, 2024 08:21 PDT)

Date: Jun 18, 2024

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution:

Authorizing The City Administrator To (1) Amend The Current Extended Contract With ABC Security Services Inc. Referenced In Resolution Number 89604 C.M.S. On A Month-To-Month Basis Through June 30, 2025 And Increase The Contract In The One-Time Amount Of Eight Million Dollars (\$8,000,000.00) For A Total Not To Exceed Contract Amount Of Twenty-Nine Million Six Hundred Thousand Dollars (\$29,600,000.00), Or Until A New Request For Proposal For Security Services Is Issued And A Contract Is Awarded, Whichever Occurs First; And (2) 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 (**Attachment A**), and contract amendments with spending authority increases by Resolution No. 89440 C.M.S. dated October 18, 2022 (**Attachment B**), Resolution No. 89604 C.M.S. (**Attachment C**) dated February 23, 2023, and Resolution 90025 C.M.S. (**Attachment D**) dated November 21, 2023.

To avoid a lapse in City security services and to continue to provide security services at the current service level, staff recommend that this contract be extended on a month-to-month basis with a continued spending authority of the contract of a not to exceed amount of \$500,000.00 per month for twelve months from the current expiration date of June 30, 2024, through June 30, 2025, or until a new Request for Proposal (RFP) for Citywide Security Services is issued and awarded, whichever occurs first. Staff has prepared this agenda report and a recommendation for council consideration and approval.

REASON FOR URGENCY

The spending authority for the current contract for security services was increased per Oakland City Council Resolution 89440, 89604, and 90025 by nine million one hundred thousand dollars (\$9,100,000.00) for a total not to exceed the contract amount of twenty-one million six hundred thousand dollars (\$21,600,000.00). These increases were to allow the continued utilization of unarmed security officers through the existing security services contract, which is valid until June 30, 2024. Without a contract amendment, the City will not have a security service provider, causing a lapse of vital and critical security services at City facilities, municipal buildings, and properties.

BACKGROUND / LEGISLATIVE HISTORY

The City utilizes the services of uniformed unarmed 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.

At the July 24, 2018, City Council meeting, the 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 (\$12,500,000.00), was based on forecasted security needs at the time of the contract execution.

Subsequent resolutions were brought to City Council on October 18, 2022 (Resolution No. 89440 C.M.S.), February 23, 2023 (Resolution No. 89604 C.M.S.), and November 21, 2023 (Resolution No. 90025 C.M.S.). Resolution No. 89440 C.M.S. stated that the contract would expire on October 23, 2023, and extended the contract for 4 months, adding \$400,000 per month, or \$1,600,000, in contract authority for a total of \$14,100,000 through February 23, 2024. Resolution No. 89604 C.M.S. further extended the contract by 8 months, with an additional \$500,000 per month, or \$4,000,000, for a total contract authority of \$18,100,000 through October 23, 2024. Finally, Resolution No. 90025 increased the contract authority by \$500,000 per month, or \$3,500,000, for a total contract authority of \$21,600,000, based on higher costs and the need for additional contract authority without extending the existing contract.

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, Recreation and Youth Development Department, and City Corporation Yards. The contractor also provides security services at other locations that require emergency security coverage or as-needed services.

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, and the proposals were reviewed for completeness. An interview process was conducted in November 2022, and security service firms were scored and ranked based on their performance in the interview.

process. At this time, the City was unable to award a contract and is currently in the process of re-issuing the RFP for Citywide Security Services.

As of February 2024, the City has fully exhausted the contracting authority provided in previous resolutions, though the contract does not expire until June 30, 2024.

ANALYSIS AND POLICY ALTERNATIVES

The Oakland Public Works Department (OPW) is beginning a new RFP/ RFQ process and will present a new security services contract to the Council during the 2024-25 fiscal 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 are either participating in City programs, conducting city business, or attending public meetings or events. Having a professional security presence to provide direction, guidance, information, and security at these facilities is a critical part of the positive experience for staff and visitors.

This proposed resolution recommends that the City Council amend the current extended contract with ABC Security Services Inc. referenced in **Attachment D** on a month-to-month basis until June 30, 2025, and increase the contract in the amount of \$8,000,000.00 until a new RFP is issued and a contract is awarded and waive the competitive Request for Proposal / Qualification selection requirement. The additional funding required for the contract above the 8 month term extension is due to higher than expected security costs, and contractual funding is only being provided through February 2024 in anticipation of a new security services contract being approved by the Council. The increase in contractual costs is intended to cover the 16 month period between March 2024 and June 2025.

Failure to increase the funding capacity will create a lapse in security services compromising the safety of our employees and the public.

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 that it is in the best interests of the City for the Council to waive the RFP/Q requirement for this contract because staff is in the process of re-issuing the RFP for Citywide Security Services. The City wishes to prevent any delay or lapse of vital and critical security services at City facilities, municipal buildings, and properties. Staff recommends that 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

The proposed midcycle budget for FY 2024-25 appropriates \$4.8 million for security services, or up to \$400,000 per month. The requested contractual increase of \$500,000/month exceeds the budget by \$100,000/month. However, the monthly costs for the City's base security services are estimated at \$375,000 per month, which is within the current appropriated amount. The increase in contract authority provides a ceiling to cover necessary, unforeseen or emergency security services outside of base level services. Funds shall not be committed beyond the available budgeted amount in the Facilities Services Fund (4400) Project (1005170), without the prior identification of an alternative available funding source, in advance securing additional services.

The current contract for security services is anticipated to exceed FY 2023-24 budgeted expenditures by \$2,725,000.00 due to higher than anticipated security services costs and additional on-call needs requested by departments in the current fiscal year.

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 newspaper.

COORDINATION

OPW, Bureau of Maintenance and Internal Services, Facilities Services Division (OPW-BMIS-FSD) 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 L/SLBE requirements consistent with the initial contract requirements. The local economy will benefit from the services provided through job opportunities and the generation of business tax revenue.

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

Race and Equity: The proposed resolution will provide security officers to protect the safety of the public and property at City facilities. Thus, providing safe access, screening and security of facilities to a diverse array of visitors and employees.

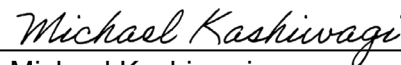
ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt a Resolution:

Authorizing the City Administrator to (1) Amend The Current Extended Contract With ABC Security Services Inc. Referenced In Resolution Number 90025 C.M.S. On A Month-To-Month Basis Through June 30, 2025, And Increase The Contract In The One- Time Amount Of Eight Million Dollars (\$8,000,000.00) For A Total Not To Exceed Contract Amount of Twenty-Nine Million Six Hundred Thousand Dollars (\$29,600,000.00) Until A New Request For Proposal For Security Services Is Issued And A Contract Is Awarded; (2) 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,



Michael Kashiwagi
Interim Director, Oakland Public Works

Reviewed by:

Richard Battersby, Assistant Director
Oakland Public Works

Prepared by:

Derin Minor, Building Services Manager
Facilities Services Division

Attachments (4):

- A: City Council Resolution #87321
- B: City Council Resolution #89440
- C: City Council Resolution #89604
- D: City Council Resolution #90025