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OFFICE OF THE CITY CLERK
OAKLAND

2017 OCT -5 PM 3:39

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Jason Mitchell
Director, OPW

SUBJECT: Security Services Contract

DATE: September 27, 2017

City Administrator Approval

[Signature] FOR SBL

Date:

10/5/17

RECOMMENDATION

Staff Recommends That The City Council Adopt:

A Resolution Awarding A Security Services Contract To ABC Security Services Inc. For A Term Period Of Three (3) Years With An Option To Extend The Contract Upon Satisfactory Completion Of The Initial Term In Increments Of One (1) Year; For Up To A Total Of Two (2) Consecutive Additional Years; In An Amount Not-To-Exceed Two Million, Five Hundred Thousand Dollars (\$2,500,000) For Each Year Of The Contract; OR

Adopt A Resolution Awarding A Security Services Contract To Cypress Security Services Inc. For A Term Period Of Three (3) Years With An Option To Extend The Contract Upon Satisfactory Completion Of The Initial Term In Increments Of One (1) Year; For Up To A Total Of Two (2) Consecutive Additional Years; In An Amount Not-To-Exceed Two Million, Five Hundred Thousand Dollars (\$2,500,000) For Each Year Of The Contract.

EXECUTIVE SUMMARY

The contract for security services with Cypress Private Security expired on April 30, 2017. The City Council Resolution and contract provides for continuing services on a month to month basis upon expiration until a new contract is awarded. The Purchasing Department has issued a contract extension as allowed for in the agreement. Staff was prepared to present a recommendation to the Public Works Committee on June 13, 2017 to award a contract to A-1 Protective Services Inc. Prior to that meeting new information was presented to the City regarding the legitimacy of the recommended firm's local business certification. The City Administrator's Department of Contracts and Compliance investigated and determined that the recommended firm did not satisfactorily meet the requirements to receive the additional preference points at the time of the investigation. The firm's earned preference points were rescinded and the reduction of preference points ultimately changed the final ranking and staff's recommendation for award of the security contract.

Item: _____
City Council
October 17, 2017

As a result of the change in score and final ranking, staff is recommending that City Council adopt a Resolution awarding the contract to ABC Security Services Inc.

Approval of the Resolution will authorize the City Administrator or designee to negotiate and execute a contract with ABC Security Services Inc. in an amount not to exceed two million, five hundred thousand dollars (\$2,500,000) annually for a term of three years with an option to extend the contract, if satisfactory completion of the initial term, in increments of one (1) year; for up to a total of two (2) consecutive additional years. The resolution will also authorize the City Administrator to extend the contract at the end of the term on a month to month basis until a new contract is awarded.

BACKGROUND / LEGISLATIVE HISTORY

The City utilizes the services of uniformed, unarmed contract security guards at City facilities to screen and provide directions and access for city staff and the public, oversee and monitor city property, and to ensure the safety of staff and visitors. Security guards report incidents and injuries at City facilities to Facilities staff or Oakland Police Department (OPD) for investigation and follow-up.

In the Fall of 2016, the City initiated a request for proposal (RFP) process to secure the most qualified security contractor for a security services contract to meet the current security needs of the City of Oakland, due to the expiring term of the existing contract. The City received responses to the RFP from 6 security firms. All 6 companies were invited to move forward and participate in interviews, those interviews were held on February 6, 2017. The 6 firms were American Guard Services Inc., ABC Security Services Inc., Pro Guard Security Services, A-1 Protective Services Inc., Cypress Security Services LLC, ANI Private Security & Patrol Inc.

The oral interview process consisted of a question and answer segment and time allotted for a presentation from each company. The interview panel consisted of three subject matter experts; one with an extensive background in governmental facility security operations and contract management and two client department representatives, one from the Oakland Public Library and the other from Oakland Parks, Recreation and Youth Development.

Prior to the June 13th Public Works Committee (PWC) Meeting, the City received a third-party complaint regarding the legitimacy of the number one ranked firm's Local/Small Local Business Enterprises (L/SLBE) certification and the validity of the points awarded.

The City Administrator's Office, Contracts and Compliance Division, immediately initiated an investigation to determine the firm's L/SLBE status. The investigation resulted in rescinding the number one ranked firm's L/SLBE certification and the loss of preference points. Oakland Public Works (OPW) adjusted the scores for the 6 ranked firms based on the new information and recalculated the rank order.

As a result of the change in score and final ranking, staff presented a new recommendation at the September 12, 2017, PWC meeting recommending that City Council adopt a Resolution awarding the security contract to ABC Security Services Inc. The committee heard the recommendation and moved the item to the September 19, 2017, City Council calendar (non-consent) and directed staff to update the report to include two alternative resolutions for City Council to consider, A-1 Protective Services and Cypress Security as alternatives.

The requested information was provided in a supplemental report and discussed at the September 19, 2017, City Council Meeting.

ANALYSIS AND POLICY ALTERNATIVES

At the September 19, 2017 City Council Meeting, staff presented a supplemental report with recommendations and the additional information that was requested by the PW Committee on September 12, 2017. The City Council asked staff to return with a new report containing two resolutions for its consideration of award to either ABC or Cypress Security Services. The City Council requested the following information:

- A detailed scoring matrix for the two recommended firms
- A brief summary of the added value this contract will give the City
- Provide information as to the Schedule L and how it was provided or not provided to ABC and Cypress

The following is in response to the information requested by the Council.

Scoring Matrix For The Two Recommended Firms

Table A below shows the specific categories where points were given during the formal interviews, the combined scores from the raters, the earned credits for L/SLBE participation and the final rank.

Table A – Scoring Summary for ABC Security Services Inc and Cypress Security Services Inc

ABC Security Services, Inc.	Scores	Final Score	Rank
History, Experience, Management	69.57	79.79	2
Operations and Technical	63.04		
Situational Questions	53.04		
Presentation and Incident Report Sample	25.23		
Total	210.88		
Average	70.29		
Earned Credits	9.50		
Cypress Security Services Inc.			
	Subtotal	Final Score	Rank
History, Experience, Management	71.31	72.74	5
Operations and Technical	59.57		
Situational Questions	42.60		
Presentation and Incident Report Sample	25.23		
Total	198.71		
Average	66.24		
Earned Credits	6.5		

Added Value the City Will Receive Through This Contract

Council requested a brief summary of the added value the City would receive through this contract. As specified in the RFP the City is seeking a qualified security firm to provide unarmed guards at City facilities, including Civic Center Complex, libraries, recreation centers, corporation yards, parking lots and other sites as needed. These unarmed guards are required to provide safe access to employees and the public, directions and information, traffic control patrol and after hours monitoring of City facilities to secure them and prevent trespassing, vandalism, arson and other damage to the facility or hazard to any person(s).

The security and safety of the City's staff, visitors, facilities and property is the primary goal of this contract. To ensure that the City and the selected contractor recognize and agree that commitment, quality, consistent and reliable services is of utmost importance to the City, OPW intends to implement two performance measures.

- Conduct an "Annual Performance Review" with the firm's management team to discuss and document performance issues. This performance review will allow the City to formally communicate any issues or concerns regarding the security services and allow the company an opportunity to address the issues and make adjustments to their operations and improvements to the services that they deliver. This differs from the Schedule L – Consultant Performance Evaluation Form, that is completed after the contract term.

- Negotiate to include liquidated damages in the contract with the selected company. Liquidated damages would be used to address performance issues if the company fails to achieve the performance standards or expectations of this contract. The City and selected firm will negotiate and agree on specific infractions, reasonable estimates of costs associated with each occurrence and the process to notify the company and provide proof of the infraction.

Schedule L

Council requested that staff provide information as to the Schedule L and how it was provided, or not provided to ABC Security Services and Cypress Security Services.

The City's Schedule L – Consultant Performance Evaluation Form states that the project coordinator/manager shall complete the evaluation form within 60 days upon completion of the project or assignment. It also states that the form is to be kept on file in the OPW Contract Administration Division for five years. It further states that consultants with an overall evaluation of "Poor or Needs to Improve" are given an opportunity to appeal the evaluation to the Assistant Director of Public Works, or append the evaluation with a one page statement that explains or refutes the City's findings.

Staff searched for previous Schedule L's for both firms. From 2001 to 2011, ABC Security Services provided services to the City under a non-formal, month to month arrangement. Staff was unable to locate a Schedule L or any other performance related documents.

Staff produced Schedule L forms for Cypress Security for the first contract they held with the City for the years 2011-2013 and for the most recent contract with the City for 2013-2017, on both Schedule L's Cypress Security Services received acceptable "overall" ratings.

Compliance With City L/SLBE And EBO Programs

The City Administrators Office, Contracts and Compliance Division conducted a compliance review of the original six (6) proposals received in response to the RFP for security services. The Contract and Compliance Division reviewed the six (6) proposals to evaluate for the minimum 50% Local and Small Local Business Enterprise (L/SLBE) participation requirement, and a preliminary review for compliance with the Equal Benefits Ordinance (EBO). The full Compliance Review is attached as (**Attachment A**).

Tables B & C below and on the following page reflect the responsive and non-responsive firms included in the full compliance analysis:

Table B - Responsive Firms

Responsive to EBO and L/SLBE Policies		Proposed Participation					Earned Credits and Discounts		Oakland Workforce Preference Points	EBO Compliant? Y/N
Company Name	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	*VSLBE	Total Credited Participation	L/SLBE Participation Pref. Points	Years in Oakland Pref. Points		
ABC Security Service, Inc.	NA	100.00%	100.00%	0.00%	0.00%	100.00%	5 pts.	2.5 pts.	2.0 pts.	Y
ANI Private Security and Patrol, Inc.	NA	100.00%	0.00%	100.00%	0.00%	100.00%	5 pts.	2.0 pts.	1.0 pts.	N
Cypress Private Security, Inc.	NA	100.00%	0.00%	100.00%	0.00%	100.00%	5 pts.	0.5 pts.	1.0 pts.	Y

Table C - Non-Responsive Firms

Non-Responsive to EBO and L/SLBE Policies		Proposed Participation					Earned Credits and Discounts		Oakland Workforce Preference Points	EBO Compliant? Y/N
Company Name SLBE/VSLBE/LPG Certified Firms	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	*VSLBE	Total Credited Participation	L/SLBE Participation Pref. Points	Years in Oakland Pref. Points		
AI Protective Services	NA	0%	0%	0%	0%	0%	0 pts.	0 pts.	0 pts.	N
American Guard Services, Inc.	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0 pts.	0 pts.	0 pts.	N
Pro Guard Security Services, Inc.	NA	50.00%	50.00%	0.00%	0.00%	0.00%	0 pts.	0 pts.	0 pts.	N

As reflected on the tables above; three of the six companies including the recommended firms ABC Security Services and Cypress Security Services met the minimum 50% L/SLBE requirement and were deemed responsive for the compliance evaluation.

Three of the companies were deemed unresponsive as they failed to meet the minimum 50% L/SLBE participation at the time of submittal. Firms will be required to satisfy both L/SLBE and EBO compliance prior to contract award.

FISCAL IMPACT

The new contract is \$2.5 million per year, which includes the cost increases for Consumer Price Increase adjustment in compliance with Oakland's Cost of Living Ordinance, other wage increases and costs for additional services as required. Funding for Security services for each requesting City Department is based on the current levels of service and contract rates. Funding is available within each requesting City Department's adopted budget including the Facilities Services Fund (4400), the Library Services Retention and Enhancement Fund (2240), and the Multipurpose Reserve Fund (1750).

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

Staff will complete the City's Schedule L - Consultant Performance Evaluation Form within 60 days of the completion of the term contract and file it with the OPW Contract Administration Division at the end of the contract term in accordance with the Schedule L requirements outlined on the form. The selected firm will receive a copy of the evaluation form.

The City will exercise the two, one (1) year extension options only if a satisfactory performance rating is achieved for the initial term period of the contract.

PUBLIC OUTREACH / INTEREST

In October 2016, the Public Works Department reached out to local firms registered in iSupplier and advertised in local newspapers whose circulation is recognized to reach local and diverse audiences (East Bay Times, El Mundo, Oakland Post and Sing Tao) as part of the RFP process.

COORDINATION

Oakland Public Works (OPW), Facilities Services Division coordinated with Administrator's Office of Contracts and Compliance, the Office of the City Attorney, the City's Budget Bureau, the Department of Human Services (DHS), the Oakland Public Library (OPL) and Oakland Parks and Recreation (OPR) for the development of this report.

SUSTAINABLE OPPORTUNITIES

Economic: The selected contractor has been certified as meeting the minimum 50% SLBE requirement by the Social Equity Division of the CAO, Contract and Compliance Division. The local economy will benefit from the services provided by the terms of this contract through job opportunities as well as the generating of business tax revenue.

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

Social Equity: The resolution will protect the health and safety of the public and the building occupants by providing safe and secure facilities to visit, conduct official business, participate in various activities and meet local public officials and City representatives for various issues.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council 1) Adopt a resolution awarding a security services contract to ABC Security Services Inc. for a term period of three (3) years with an option to extend the contract upon satisfactory completion of the initial term in increments of one (1) year; for up to a total of two (2) consecutive additional years; in an amount not-to-exceed two million, five hundred thousand dollars (\$2,500,000) for each year of the contract; OR

2) Adopt a resolution awarding a security services contract to Cypress Security Services Inc. for a term period of three (3) years with an option to extend the contract upon satisfactory completion of the initial term in increments of one (1) year; for up to a total of two (2) consecutive additional years; in an amount not-to-exceed two million, five hundred thousand dollars (\$2,500,000) for each year of the contract.

For questions regarding this report, please contact Derin Minor, Oakland Public Works, Facilities Services Division Manager, 510-238-3998.

Respectfully submitted,



Jason Mitchell
Director, Oakland Public Works

Reviewed by:
Susan Kattchee, Assistant Director
Bureau of Facilities & Environment

Prepared by:
Derin Minor, Division Manager
Facilities Services Division

Attachment:

A: Revised Compliance Analysis and Summary



FILED
OFFICE OF THE CITY CLERK
OAKLAND

2017 OCT 27 PM 4:33
INTER OFFICE MEMORANDUM

TO: Derin Minor,
Building Services Manager

FROM: Deborah Barnes, Director,
Contracts and Compliance

**SUBJECT: Compliance Analysis
Request for Proposal (RFP) for Security Guard
Services at Various City Buildings**

DATE: June 29, 2017 (revised)

On December 2, 2016, the City Administrator's Office, Contracts and Compliance Unit conducted a compliance review of six (6) proposals in response to the above referenced project. The initial review indicated that four (4) firms were in-compliance and two (2) were non-compliant with the 50% Local and Small Local Business Program (L/SLBE) participation requirement.

Contracts & Compliance received a third-party challenge to the certification of A-1 Protective Services. Subsequently A1 Protective Services' certification as a Local Business was rescinded. At the request of the Public Works Agency (PWA) Contracts and Compliance prepared a revised compliance analysis moving A1 Protective from compliant to non-compliant with the City's L/SLBE participation requirement.

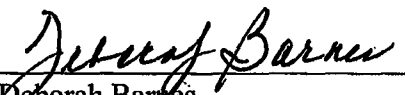
Below is the outcome of the most recent compliance evaluation for the minimum 50% Local and Small Local Business Enterprise (L/SLBE) participation requirement and Equal Benefits Ordinance (EBO).

Responsive to EBO and L/SLBE Policies		Proposed Participation					Earned Credits and Discounts		Oakland Workforce Preference Points	EBO Compliant? Y/N
Company Name	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	*VSLBE	Total Credited participation	L/SLBE Participation Preference Points	Years in Oakland Preference Points		
ABC Security Service, Inc.	NA	100.00%	100.00%	0.00%	0.00%	100.00%	5 pts.	2.5 pts.	2.0 pts.	Y
ANI Private Security and Patrol, Inc.	NA	100.00%	0.00%	100.00%	0.00%	100.00%	5 pts.	2.0 pts.	1.0 pts.	N
Cypress Private Security, Inc.	NA	100.00%	0.00%	100.00%	0.00%	100.00%	5 pts.	0.5 pts.	1.0 pts.	Y

Comments: As noted above, all firms exceeded the minimum 50% L/SLBE participation requirement. ANI Private Security and Patrol, Inc. is not EBO compliant. They must come into compliance prior to full contract execution.

Non-Responsive to EBO and L/SLBE Policies		Proposed Participation					Earned Credits and Discounts			EBO Compliant? Y/N
Company Name SLBE/VSLBE/LPG Certified Firms	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	*VSLBE	Total Credited participation	L/SLBE Participation Preference Points	Years in Oakland Preference Points	Oakland Workforce Preference Points	
AI Protective Services	NA	0%	0%	0%	0%	0%	0 pts.	0 pts.	0.0 pts.	N
American Guard Services, Inc.	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0 pts.	0 pts.	0 pts.	N
ProGuard Security Services, Inc.	NA	50.00%	50.00%	0.00%	0.00%	0.00%	0 pts.	0 pts.	0 pts.	N

Comments: As noted above, all firms failed to meet the minimum 50% L/SLBE participation requirement. Therefore, they are non-compliant with L/SLBE participation requirements. None of the firms are EBO compliant. They must come into compliance prior to full contract execution.


 Deborah Barnes
 Director, Contracts & Compliance

Should you have any questions you may contact Sophany Hang, Contract Compliance Officer at (510) 238-3723.



CONTRACTS AND COMPLIANCE

Compliance Division

PROJECT COMPLIANCE EVALUATION FOR :

RE: Request for Proposal (RFP) for Security Guard Services at Various City Buildings 2016

CONSULTANT/CONTRACTOR: AI Protective Services, Inc.

<u>Engineer's Estimate:</u>	<u>Contractors' Bid Amount</u>	<u>Over/Under Engineer's Estimate</u>
NA	NA	NA

<u>Bid discounted amount:</u>	<u>Preference Points:</u>
N/A	0

- | | | | | |
|---------------------------------------------------------------|--------|-------|-------|------------------------|
| 1. Did the 50% local/small local requirement apply: | | | | YES |
| 2. Did the contractor meet the 50% requirement | | | | NO |
| a) % of LBE participation | 0.00% | | | |
| b) % of SLBE participation | 0.00% | | | |
| c) % of VSLBE participation | *0.00% | 0.00% | 0.00% | (double counted value) |
| 3. Did the contractor receive bid discount/preference points? | | | | MP |
| (If yes, list the points received) | | | | 0 points |

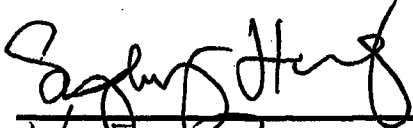
4. Additional Comments.

Firm failed to meet the minimum 50% L/SLBE participation requirement . Therefore, they are non compliant with L/SLBE participation requirement.

5. Date evaluation completed and returned to Contract Admin./Initiating Dept.

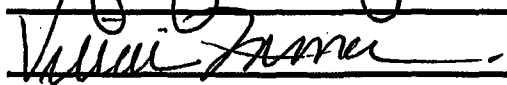
6/29/2017
Date

Reviewing Officer:



Date: 6/29/2017

Approved By:



Date: 6/29/2017

LBE/SLBE Participation AI Protective Services, Inc.

Project Name: Request for Proposal (RFP) for Security Guard Services at Various City Buildings 2016												
Project No.: NA							Under/Over Engineers Estima					
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	VSLBE	Total LBE/SLBE %	Total Percentages	For Tracking Only			
									Ethn	MBE	WBE	
PRIME	AI Protective Services, Inc.	Oakland	UB					100.00%	AA		100.00%	
Project Totals				0.00%	0.00%	0.00%	0.00%	100.00%		0.00%	100.00%	
Requirements: The 50% requirement can be satisfied by a combination of 25% LBE and 25% SLBE. The SLBE requirement is waived for Oakland certified prime consultants. An VSLBE's participation is double counted toward meeting the requirement.				LBE 25% of 50%	SLBE 25%	VSLBE	TOTAL LBE/SLBE 50%	TOTAL	Ethnicity AA = African American A = Asian C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed			
Legend LBE = Local Business Enterprise SLBE = Small Local Business Enterprise Total LBE/SLBE = All Certified Local and Small Local Businesses NPLBE = NonProfit Local Business Enterprise NPSLBE = NonProfit Small Local Business Enterprise				UB = Uncertified Business CB = Certified Business MBE = Minority Business Enterprise WBE = Women Business Enterprise								

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OAKLAND
2017 OCT -5 PM 3:53

OAKLAND CITY COUNCIL

Approved as to Form and Legality

RESOLUTION No. _____ C.M.S.

DRAFT
City Attorney

Introduced by Councilmember _____

RESOLUTION AWARDDING A SECURITY SERVICES CONTRACT TO ABC SECURITY SERVICES INC. FOR A TERM PERIOD OF THREE (3) YEARS WITH AN OPTION TO EXTEND THE CONTRACT UPON SATISFACTORY COMPLETION OF THE INITIAL TERM IN INCREMENTS OF ONE (1) YEAR; FOR UP TO A TOTAL OF TWO (2) CONSECUTIVE ADDITIONAL YEARS; IN AN AMOUNT NOT-TO-EXCEED TWO MILLION, FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000) FOR EACH YEAR OF THE CONTRACT

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, the City solicited proposals for unarmed security services from qualified firms to provide security services for City facilities and six firms responded and submitted proposals; and

WHEREAS, ABC Security Services Inc., a certified L/SLBE bidding as a prime, participated in an interview and screening process and was ranked number two (2) through that process and deemed the most qualified and responsive bidder for the project; and

WHEREAS, The City Council finds and determines that the performance of this contract is in the public interest because of the importance of security for Oakland's citizens, employees, facilities and property and;

WHEREAS, Funding for this contract for Security Guard Services is available in the following; the Facilities Services Fund (4400) the Library Services Retention and Enhancement Fund (2240) and the Multipurpose Reserve Fund (1750) and;

WHEREAS, the City lacks the equipment and qualified personnel to perform the necessary work, that the performance of this contract is in the public interest because of economy or better performance and that this contract is of a professional, scientific or technical nature; and

WHEREAS, the City Council finds and determines that the performance of this contract shall not result in the loss of employment or salary by any person having permanent status in the competitive service now, therefore, be it

RESOLVED: ABC Security Services Inc. complies with all LBE/SLBE requirements; and

RESOLVED: That the City Administrator is authorized to award a security services contract for security guard services at various locations to ABC Security Services Inc., in

the amount not to exceed two million five hundred thousand (2,500,000) per year and in accord with the request for proposals specifications for the project initiated by the City in October 2016; and be it

FURTHER RESOLVED: That the City Administrator, or designee, is hereby authorized on behalf of the City of Oakland to execute any amendments or modifications of the contract for security guard service within the limitations of the project specifications; and be it

FURTHER RESOLVED: That the City Administrator, or designee, is hereby authorized to execute two, one year extension options at the end of the initial three-year contract term period, upon satisfactory completion with ABC Security Services Inc.; and be it

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 agreement in accordance with its basic purpose; and be it

FURTHER RESOLVED: That the contract shall be reviewed and approved by the City Attorney for form and legality prior to execution and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLEN, KALB, KAPLAN, AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

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