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OAKLAND

2017 AUG 29 PM 3:20

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Jason Mitchell
Director, OPW

SUBJECT: Security Services Contract

DATE: August 21, 2017

City Administrator Approval

Date:

8/29/17

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Awarding A Security Services Contract To ABC Security Services Inc. For A Term 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 The firm's earned preference points were rescinded and the reduction of preference points ultimately changed the final ranking and staff's recommendation for award of the security contract.

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

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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 the city property, and 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.

This new contract will provide security services at Civic Center Complex, (City Hall, Dalziel, the Lionel J. Wilson Building) and Frank H. Ogawa Plaza, and all other City facilities requiring security services including; Oakland Main and Branch Libraries, four (4) Oakland Senior Centers, Recreation Centers identified by Oakland Parks and Recreation (OPR), Malonga Casquelourd Center and Oakland Public Works (OPW) corporation yards at 7101 Edgewater, 5050 Coliseum and 750 50th Avenue; and at other locations requiring security in response to emergencies or other disasters.

ANALYSIS AND POLICY ALTERNATIVES

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. Legal ads were run in August of 2016 in the Oakland Tribune, El Mundo, Oakland Post and Sing Tao. In October, a mandatory Pre-Bid Proposal Conference was held, the proposal due date was November 14, 2016. The City received responses to the RFP from six (6) security firms. The proposals were reviewed for completeness and a formal contract compliance analysis was performed on each proposal. All 6 companies were invited to move forward and participate in interviews, those interviews were held on February 6, 2017.

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 and Recreation.

Scores were arrived at by the results of the formal interview and additional preference points for local/small local business enterprise (L/SLBE) participation. Initial ranking produced A-1 Protective Services, Inc. as the highest ranked firm. Prior to the Public Works Committee Meeting scheduled for June 13, 2017, the City received a third-party complaint regarding the legitimacy of A-1 Protective Services Inc's L/SLBE certification and the validity of the points awarded.

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The City Administrator's Office of Contracts and Compliance immediately initiated an investigation to determine the firm's L/SLBE status. The investigation resulted in the rescinding of A-1 Security Protective Services Inc's L/SLBE certification and the loss of the preference points. OPW adjusted the scores based on the new information and recalculated the rank order.

The highest ranked firm now is American Guard Services Inc, with a total score of 80.14, ABC Security Services Inc. is ranked second with a final total score of 79.79. The difference in final scores of the top two (2) firms is less than one half of a percentage point.

Table A below shows the final ranking scores inclusive of any applied City of Oakland earned preference points.

Table A - Security Contract RFP Interview Scoring Summary

Ranking	American Guard Services Inc.	Subtotal	Final Score
1	Score	80.14	80.14
	Preference Points	0.00	
Ranking	ABC Security Services, Inc.	Subtotal	Final Score
2	Score	70.29	79.79
	Preference Points	9.50	
Ranking	Pro Guard Security Services	Subtotal	Final Score
3	Score	75.65	75.65
	Preference Points	0.00	
Ranking	A-1 Protective Services, Inc.	Subtotal	Final Score
4	Score	74.79	74.79
	Preference Points	0.00	
Ranking	Cypress Security Services LLC	Subtotal	Final Score
5	Score	66.24	72.74
	Preference Points	6.50	
Ranking	ANI Private Security & Patrol Inc.	Subtotal	Final Score
6	Score	45.51	53.51
	Preference Points	8.00	

The score between the two firms is essentially equal, however staff is recommending ABC Security Services Inc. over American Guard Services Inc. because ABC Security Services Inc. is a Certified Local/ Small Local Business Enterprise that was deemed 100% responsive with the City's L/SLBE program. ABC Security Services Inc. is an Oakland based company with over 49 years of professional, relevant experience in securing governmental facilities similar to the City of Oakland's. This recommendation supports the City's goal and mission of supporting local business partnerships and reinvesting in the community.

While evaluating the results subsequent to the Public Works Committee on June 13, 2017, the City received a complaint from a legal firm (Gdanski Law PC) representing American Guard Services. The complaint states that American Guard failed to submit a Schedule E-2 "Oakland Workforce Verification" form with its initial Request for Proposal (RFP) response packet. The firm is requesting that the City allow the submittal of this form and reconsider applying the additional preference points to American Guard Services final score and rank. The RFP under Section II; Submittal Requirements, #7 "Documents due with Proposal", lists "Schedule E" as required with the proposal. After evaluating all the information, staff is recommending ABC Security Inc.

Upon approval of the recommendation by the City Council the City will then enter negotiations with ABC Security Services Inc. to finalize the costs, establish liquidated damages and the process and plan on retaining and strengthening the Oakland workforce. As is industry standard for security service contracts, the current employees would be encouraged to apply and complete ABC Security Services Inc's. formal hiring and screening process to be considered for employment on the new contract.

COMPLIANCE WITH CITY L/SLBE and EBO PROGRAMS

The Department of Contracts and Compliance conducted a compliance review of the six (6) proposals in response to the RFP for security services contract 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 reflects 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 met the minimum 50% L/SLBE requirement and were deemed responsive for the compliance evaluation and 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 required Schedule L - Consultant Evaluation Form annually. The City will exercise the two, one (1) year extension options only if a satisfactory rating is achieved for the prior year's performance.

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 the City 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 Department of Contracting and Purchasing. 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.

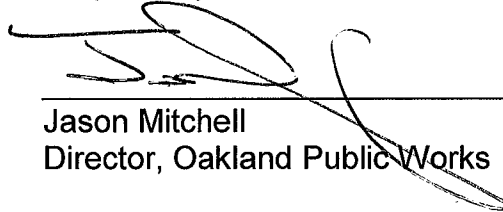
Social Equity: The resolution will protect the health and safety of the public and the building occupants by providing safe and secure facilities to visit, conduct official business, participate in various activities and meet local public officials and City representatives for various issues.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution awarding a security services contract to ABC Security Services Inc. for a term 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) annually.

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



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			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	Oakland Workforce 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% (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:

[Signature]

Date: 6/29/2017

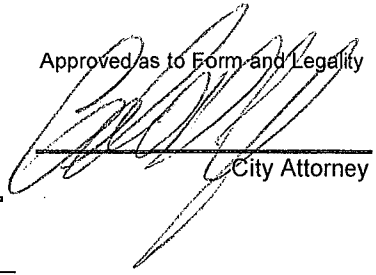
Approved By:

[Signature]

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% or 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					



2017 AUG 29 PM 3: ~~RESOLUTION~~ No. _____ C.M.S.

Introduced by Councilmember _____

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

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 one (1) 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 to ABC Security Services Inc. for Security Guard Services at Various Locations to ABC Security Services Inc., the most responsive and responsible bidder, 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