



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
Www. CityofSacramento.org

Continued to 2-26-08

CONSENT  
February 19, 2008

Honorable Mayor and  
Members of the City Council

**Title: Contract: Unarmed Security Guard Services**

**Location/Council District:** Citywide

**Recommendation:** Adopt a **Resolution:** 1) pursuant to Sacramento City Code § 3.56.160, waiving a minor irregularity in bids for IFB No. B081181035 in that two bids that were timely submitted were opened after the official bid opening date; 2) awarding a one-year contract with up to four one-year renewal options for the purchase of unarmed security guard services to National Security Services, Inc. in a total amount not to exceed \$11,402,155; 3) authorizing the City Manager or the City Manager's designee to execute the contracts and renewal options specified above provided that sufficient funds are available in the budget for the applicable fiscal year(s) of the departments utilizing the service; and 4) extending contract No. 2007-135 with the current contractor, Securitas Security Services USA, Inc. for a period not to exceed 30 days and in an amount not to exceed \$199,098.

**Contacts:** Sonny Eboigbe, Procurement Analyst, 808-7432, Christopher Stewart, Procurement Services Manager, 808-6202

**Presenters:** Not applicable

**Department:** General Services

**Division:** Procurement Services

**Organization No:** 1181

### **Description/Analysis**

**Issue:** The City of Sacramento has an ongoing requirement for unarmed security guard services for various City facilities. The current contract with Securitas Security Services USA, Inc. will expire on February 28, 2008.

**Policy Considerations:** The recommendations in this report are in accordance with the provisions of City Code Section 3.56.

**Environmental Considerations:** This project has been determined to be

exempt from the requirements of the California Environmental Quality Act (CEQA), under Section 15061(b) (3) of the CEQA Guidelines which state that CEQA applies only to projects which have the potential for causing a significant effect on the environment and Section 15378(b) (2) of the CEQA Guidelines which state that CEQA review is not required for continuing administrative or maintenance activities.

**Rationale for Recommendation:** The current security contract (No. 2007-135) will expire February 28, 2008. In October 2007, Procurement Services issued Request for Qualification (RFQ) No. B081181032. Twelve prospective contractors responded to the RFQ. On December 4, 2007, City Council adopted Resolution No. 2007-866 pre-qualifying ten of the twelve respondents to participate in the subsequent Invitation for Bid (IFB) No. B081181035, which was advertised on December 10, 2007.

Nine contractors responded to IFB No. B081181035. Seven of the respondents were included in the pre-qualified list adopted by Resolution No. 2007-866 and two companies (Las Cruces Security and ANI Private Security, Inc.) were not. As a result, and in accordance with City policy, these two bid responses were not evaluated. During the evaluation process for the remaining seven respondents, information was received from Service Employees International Union (SEIU) Local 24/7 alleging misrepresentation in the responses to the RFQ B081181032 submitted by the apparent low bidder, Comprehensive Security and the second apparent low bidder Olympic Security. The two companies were advised of this allegation to which they responded and validated the truthfulness of the assertion.

Upon review by the City Attorney's Office, it was determined that the disclosure of this new information was sufficient cause to determine the bids received from Comprehensive Security and Olympic Security as non-responsive, thus, disqualifying their bid responses. After carefully evaluating the remaining qualified responses, Procurement Services determined that National Security Services, Inc. qualifies as the lowest responsive and responsible bidder as shown in Attachment 1. The proposed contract period of performance is one year with options to extend up to four additional one-year periods.

As a result of the recent developments in the bid evaluation process, the existing contract must be extended to allow the recommended contractor and staff adequate time to coordinate the transition. This extension will only be used to ensure that services are uninterrupted. It is anticipated that such extension will not exceed 30 days.

**Financial Considerations:** Funding for unarmed security guard services will be provided from the operating budgets of the City departments utilizing this service. Sufficient funding is available for security services during the remainder of FY2007/08. The purchase of security services in the remaining years of the contract shall be subject

to funding availability in the adopted budgets for each applicable fiscal year. The total contract amount includes a three percent annual increase to comply with the City's Living Wage Ordinance and an additional two percent annual contingency to accommodate unexpected increases for requirements such as special events or requests for additional services. It is estimated that the City will realize a savings of \$160,000 in the first year of the contract, when compared to the annual cost of the current security services provider.

**Emerging Small Business Development (ESBD):** National Security Services, Inc. is certified with the City as an emerging/small business enterprise. However, it should be noted that they were not certified with the City at the time their bid was submitted for evaluation.

Respectfully Submitted by: Craig B. Lyman for  
Christopher Stewart  
Procurement Services Division Manager

Approved by: Reina J. Schwartz  
Reina J. Schwartz  
Director, Department of General Services

Recommendation Approved:

*for* Mat  
Ray Kerridge  
City Manager

**Table of Contents:**

Report Pg 1

**Attachments**

1 Bid Results Pg 4  
2 Resolution Pg 5

**ATTACHMENT 1****Summary Bid Results  
Bid No. B081181035**

<b>Contractor</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
Compre-hensive*	1,886,990.56	1,896,425.51	1,905,907.64	1,915,437.18	1,925,014.37	9,529,775.26
Olympic*	2,043,224.00	2,099,412.66	2,141,400.91	2,181,016.83	2,224,637.17	10,689,691.57
National**	2,052,297.00	2,103,604.43	2,166,712.56	2,231,713.94	2,298,665.36	10,852,993.29
Universal	1,975,967.24	2,074,765.54	2,178,503.74	2,287,428.84	2,401,800.24	10,918,465.60
American	2,087,946.64	2,140,145.20	2,193,648.80	2,248,490.00	2,304,702.20	10,974,932.80
Inter-national	2,130,987.82	2,235,406.22	2,344,941.12	2,459,843.22	2,580,375.36	11,751,553.90
DWB	2,225,283.32	2,314,294.65	2,406,866.44	2,503,141.09	2,603,266.73	12,052,852.23

The bid prices listed above include each contractor's annual price increase, and were used for bid evaluation purposes only.

\*These companies were determined to be non responsive

\*\*Indicates lowest responsive and responsible bid

**Unarmed Security Guard Services  
5-Year Estimated Cost (National Security Services)**

<b>Year</b>	<b>Base Amount</b>	<b>Base Amount Plus 3% LWO Increase</b>	<b>2% Contingency</b>	<b>Estimated Cost</b>
1	2,052,297.00	2,113,865.91	42,277.32	2,156,143.23
2	2,103,604.43	2,166,712.56	43,334.25	2,210,046.81
3	2,166,712.56	2,231,713.94	44,634.28	2,276,348.22
4	2,231,713.94	2,298,665.36	45,973.31	2,344,638.67
5	2,298,665.36	2,367,625.32	47,352.51	2,414,977.83
<b>Total</b>	<b>10,852,993.29</b>			<b>11,402,154.76</b>

**RESOLUTION NO. 2008-XXXX**

Adopted by the Sacramento City Council

**February 19, 2008**

**AWARD OF CONTRACT FOR UNARMED SECURITY GUARD SERVICES**

**BACKGROUND**

- A. The City of Sacramento has an ongoing requirement for unarmed security guard services citywide. The current contract with Securitas Security Services USA, Inc. (No. 2007-135) expires February 28, 2008.
- B. In December 2007, the City issued Invitation for Bid (IFB) No. B081181035 for unarmed security guard services and seven pre-qualified bidders responded. National Security Services, Inc. was determined to be the lowest responsive and responsible bidder from the formal competitive process.
- C. As a result of unexpected time delays in the bid evaluation process, the existing contract may need to be extended to allow the recommended contractor and City staff adequate time to coordinate the transition. This extension will only be utilized to ensure that services are uninterrupted. It is anticipated that such extension will not exceed 30 days or \$199,098.
- D. Two bids which were verified as received before the deadline were opened by the City Clerk after the official bid opening date; however, no public audience was present at the scheduled bid opening.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. Pursuant to Sacramento City Code § 3.56.160, the opening of two bids after the official bid opening date for IFB No. B081181035 is waived as a minor irregularity.
- Section 2. National Security Services, Inc. is awarded a one-year contract with four one-year options for security guard services in a total amount not to exceed \$11,402,155 for the five year period.
- Section 3. The City Manager or the City Manager's designee is authorized to execute the contracts and the annual renewal options specified above provided that sufficient funds are available in the budget adopted during the period of performance.
- Section 4. The City Manager or the City Manager's designee is authorized to extend the current contract (No. 2007-135) with Securitas Security Services USA,

Inc. as required to ensure that security services are uninterrupted. Such extension shall not exceed 30 days or \$199,098.