REPORT TO COUNCIL
City of Sacramento

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

Consent
August 28, 2007

Honorable Mayor and
Members of the City Council

Title: Contract: (Unarmed) Security Guard Services (2/3 Vote Required)

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** 1) suspending competitive bidding for (Unarmed) Security Guard Services; and 2) awarding a contract to Securitas Security Services, USA, Inc., for up to one year for an amount not-to-exceed $2.75 million.

Contact: Christopher Stewart, Procurement Services Manager, 808-6202

Presenters: None

Department: Finance

Division: Procurement Services

Organization No: 1181

Description/Analysis

Issue: The City of Sacramento has ongoing requirements to provide uniformed (unarmed) Security Guard Services citywide at most of its facilities. To ensure the safety of citizens and employees, it is imperative that the City does not allow a lapse of security to its offices and facilities. For the past five years, Securitas Security Services, USA, Inc. (formerly Burns International Security Services) has performed at the expected level of service required by the City for (unarmed) security guard services providing protection to the City offices, facilities, Fairytale Town, and the Sacramento Public Library Authority.

New bid specifications are being developed. However, due to the complexity of the specifications, staff anticipates several months before a new contract will be executed. Executing an interim contract allows uninterrupted security services to City offices and provides staff with sufficient time to develop new specifications and to solicit bids for these services. The new contract ensures the continuity of these services and provides staff sufficient time to finalize the requirements for developing new bid specifications. For the foregoing reasons, it is in the City's best interest to suspend competitive bidding to allow a one year contract to be awarded to Securitas Security Services, USA, Inc.

Policy Considerations: The current contract (CA 2002-135) with Securitas Security Services, USA, Inc. was awarded prior to the adoption of the City's Living Wage Ordinance, Chapter 3.58 of the City Code. In order to comply with this ordinance, the wage rate for approximately 100 of the contractor's employees will increase from $10.60 to $11.17 per hour. This change results in an estimated $14,000 per month increase to the existing contract with Securitas Security Services.

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: To ensure the safety of citizens and employees, it is imperative that the City does not allow a lapse of security to its offices and facilities. For the past five years, Securitas has performed at the expected level of service required by the City for (unarmed) security guard services providing protection to the City offices, facilities, Fairytale Town, and the Sacramento Public Library Authority. The current contract expires August 31, 2007. The new contract ensures the continuity of these services and provides staff sufficient time to finalize the requirements for developing new bid specifications

Financial Considerations: Sufficient funds are available in the various City departments' FY2007/08 operating budgets for these services. The price rate change due to Living Wage compliance will result in an increased monthly security contract expenditure of approximately $14,000 or $168,000 annually.

Emerging Small Business Development (ESBD): Securitas Security Services, USA is not certified with the City as either an emerging or small business enterprise.

Respectfully Submitted by: _____
Chris Stewart, Procurement Manager

Approved by: _____
Russell Fehr
Director of Finance

Recommendation Approved:

_____
for Ray Kerridge
City Manager

Table of Contents:

Report Page 1

Attachments:

Resolution Page 4

August 28, 2007

RESOLUTION NO.

Adopted by the Sacramento City Council

SUSPENSION OF COMPETITIVE BIDDING FOR UNARMED GUARD SERVICES

BACKGROUND

A. The City of Sacramento has ongoing requirements for (unarmed) Security Guard Services Citywide. To ensure the safety of citizens and employees, it is imperative that the City does not allow a lapse of security to its offices and facilities. The current contract expires August 31, 2007. For the past five years, Securitas has performed at the expected level of service required by the City for (unarmed) security guard services providing protection to the City offices, facilities, Fairytale Town, and the Sacramento Public Library Authority. The new contract ensures the continuity of these services and provides staff sufficient time to finalize the requirements for developing new bid specifications. For the foregoing reasons, it is in the City's best interest to suspend competitive bidding to allow a one year contract to be awarded to Securitas Security Services, USA, Inc.

B. The current contract, (CA 2002-135) with Securitas Security Services, USA, Inc., (formerly Burns International Security Services) was the result of a formal competitive process, Request for Proposal 1870. That contract was awarded prior to the adoption of the City's new Living Wage Ordinance (LWO) chapter 3.58. The new contract will meet the City's living wage standards by increasing the current wage rate from $10.60 to $11.17 per hour. This will affect approximately 100 of the contractors' employees and will result in an additional 5.4% increase on the current contract rates. Overall this will result in an estimated $14,000 per month increase for (unarmed) security services.

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

Section 1. In the best interest of the City, competitive bidding is suspended for (unarmed) security guard services.

Section 2. The contract for security guard services is awarded to Securitas Security Services, USA, Inc., under the same terms and conditions of City Agreement No. CA 2002-135. Price rates will be increased to comply with the City's Living Wage Ordinance for this potential one year contract in an amount not -to -exceed $2.75 million.