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DEPARTMENT OF
GENERAL SERVICES

OFFICE OF THE DIRECTOR

CITY OF SACRAMENTO
CALIFORNIA

APPROVED
BY THE CITY COUNCIL

5730 - 24TH STREET
BUILDING FOUR
SACRAMENTO, CA
95822-3699

JUL 18 1989

July 11, 1989
PS:Admin:FM:SA:bb

OFFICE OF THE
CITY CLERK

916-449-5548

DIVISIONS:

COMMUNICATIONS
FACILITY MANAGEMENT
FLEET MANAGEMENT
PROCUREMENT SERVICES

City Council
Sacramento, California

CITY MANAGER'S OFFICE

RECEIVED

JUL 11 1989

Honorable Members In Session:

SUBJECT: RECOMMENDATION OF AWARD, RFP NO. 1337 FOR UNIFORMED
SECURITY GUARD SERVICES

SUMMARY

This report recommends the award of Request for Proposal No. 1337 for Uniformed Security Guard Services to Burns International Security.

BACKGROUND INFORMATION

On May 16, 1989, City Council adopted specifications for Request for Proposal (RFP) No. 1337, Uniformed Security Guard Services, calling for bids on June 6, 1989. Copies of the RFP were mailed to twenty (20) prospective firms with seven (7) attending the mandatory pre-bid conference held on May 25, 1989. At the bid opening, only three (3) responses were received by the City Clerk's office. Of these three responses, the proposal from Cal State Patrol Service was rejected because of their failure to submit the required bid bond. This left only two responsive proposals, those from Security Bureau Incorporated and Burns International Security.

Upon thorough review of both proposals, a City evaluation panel convened on June 30, 1989 to interview representatives from both companies in order to rate each according to pre-determined award evaluation criteria. This panel consisted of Captain Felix Luna, Police Department; Dan McCann, Off-Street Parking; Doug Renz, Boat Harbor; Mike Stauffer, Convention Center; Al Ryner, Crocker Art Museum; and Steve Alstrom, General Services. A unanimous decision was made to recommend award of contract to Burns International Security.

FINANCIAL IMPACT

The estimated cost for the first year of this contract based on the City's current utilization of security services is \$869,053.00, reflecting an increase of 13% over the current contract. In planning for the FY89/90 Budget, activities utilizing security services had anticipated an increase of 5% based on the CPI. The activities will need to request budget augmentations of approximately 8% or reduce their level of service under the terms and conditions of the new contract. The 13% increase is primarily attributable to the following requirements of the specifications:

- o Increase of training requirements and standards for guards on City property;
- o Penalty for high turn over, thereby requiring the contractor to pay a minimum wage of \$6.50 to assure a stable and professional service;
- o Increased supervision and checking of posts to assure quality service is being provided and maintained twenty-four hours a day, seven days a week.

ANALYSIS

The RFP requirement for services was based on 1,851 hours per week or 46.3 FTE. The estimated cost increase of 13% over the current contract is reasonable and in order based on the new requirements of the RFP compared to our current level of service. Contracting for Security Guard Services remains a viable alternative for the City based on the quality of service received when compared to utilizing in-house services.

	<u>Est. Annual Cost*</u>	<u>% Over Contracted Services</u>
Examples: Security Guards (03641) @ Step B	\$1,127,000	30%+
Police Officer @ Step B	\$1,682,500	94%+

*NOTE: Costs not included for supervision, management, night shift differential, holiday pay, vacation, sick leave, uniforms, and maintenances, radio equipment, and vehicles.

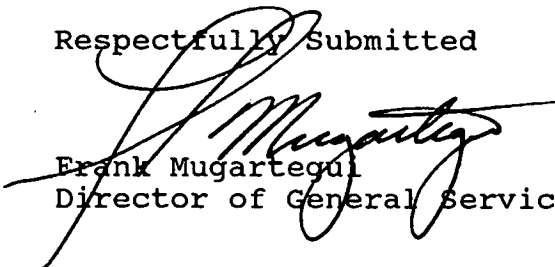
M/WBE

Of the twenty proposals solicited, four were sent to M/WBE certified businesses. Two M/WBE firms attended the mandatory pre-bid conference, but none responded to the proposal.

RECOMMENDATION

It is recommended that the City Council accept the lowest responsive and responsible proposal submitted and award RFP No. 1337 to Burns International Security for a term not to exceed five years, beginning September 1, 1989. Prior to the beginning of the third, fourth, and fifth years, the contract may be amended for changes deemed necessary, upon written notice, no later than 60 days prior to August 31, 1991/1992/1993. Annual compensation increases will be granted equal to compensation increases granted to City employees each year.

Respectfully Submitted


Frank Mugartegui
Director of General Services

Recommendation Approved


Walter J. Slupe
City Manager

July 18, 1989
All Districts

ATTACHMENT TO BID AWARD LETTER
FOR BID NO. 1337 - UNIFORMED SECURITY GUARD SERVICES

<u>Bidder</u>	<u>Estimated Yearly Cost</u>
Burns International Security	\$ 869,053.12 =====
Security Bureau Inc.	\$ 894,636.08
Cal State Patrol Service Inc.	\$1,076,166.00*

*Bid rejected - no bid bond as required.

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OFFICE OF THE
CITY CLERK

Total Award of Contract To: Burns International Security
1337 Howe Avenue, Suite 210
Sacramento, CA 95825

Total Amount of Contract: \$869,053.12**

Original Estimated Cost: \$750,000.00

User: General Services/All City Departments

Due Date: June 6, 1989

**Estimated yearly total based on currently scheduled standard service; does not include non-standard service or modifications as may become necessary during the term of this contract.

Total No. of Bids Solicited	No. of M/WBE Bids Solicited	No. of M/WBE Responses	Award to M/WBE Vendor?
20	4	0	No