

**Board Report**

File #: 2015-1265, **File Type:** Contract

Agenda Number: 47.

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
SEPTEMBER 17, 2015**

SUBJECT: PRIVATE SECURITY CONTRACTOR SERVICES

**ACTION: APPROVE CANCELLATION OF PRIVATE SECURITY SERVICES IFB AND
APPROVE CONTRACT MODIFICATION**

RECOMMENDATION

AUTHORIZING the Chief Executive Officer to:

- A. **cancel the Private Security Services Invitation for Bid PS-14199;**

- B. execute Contract Modification No. 16 to **extend Contract No. PS26102156 with RMI International, Inc. for up to 12 months** (October 1, 2015-September 30, 2016) in an amount not to exceed \$8,119,674, thereby increasing the total contract value from \$37,938,383 to \$46,058,057; and

- C. amend the FY16 Budget for System Security and Law Enforcement in the amount of \$3,019,674.

ISSUE

Metro's Board adopted a Security Policy which identifies security as an integral element of Metro's overall operations. This policy is designed to provide the highest quality, most cost-effective, transit community-based security program possible. From this Security Policy, the Systems Security and Law Enforcement Department established their mission statement: "To provide the highest level of customer service by dedicating ourselves to the safety and security of the Metro community". The overall Metro Security Program consists of three main elements to support this mission:

1. Contract Security Guard (RMI International Inc.)
2. In-House Metro Security (Transit Security)
3. Contract Law Enforcement (Los Angeles County Sheriff's Department)

DISCUSSION

The contracted security guard component is designed and deployed as a fully integrated and mutually supportive part of the overall security program by providing dedicated fixed-post security protections to Metro properties, including employee parking facilities, Metro Rail and Metro Bus System parking lots, Metro support facilities, and for short-term assignments and special security operations, as necessary. Security guard services are deployed at Metro facilities and properties based on our analysis of overall risks, vulnerability assessments, area crime rates, configuration of facilities, and special identified needs. Consistent with financial constraints, not all Metro facilities are allocated security guard services. The security guard deployments are assigned by in-house Metro Security management to achieve the highest possible level of cost effectiveness.

Metro in-house Transit Security secure the Union Station Complex, support revenue protections and station closures; and for contract law enforcement to focus on "Quality of Life" crimes such as graffiti, fare evasion, vandalism, and disorderly conduct on or near the transit system.

Background

In August 2013, Metro began the procurement process in order to request a new contract award for security guard services to begin July 1, 2014.

In June 2014, Metro submitted the proposed contract award for Board approval. At the time, the Systems Safety and Operations Committee recommended a 60-day extension to the existing private security contract, deferring new award contract recommendation until that time. During the June 19, 2014 Board meeting, the approved extension was changed from 60 to 90 days due to no Board meeting being held in August 2014.

At the September 18, 2014 System Safety and Operations Committee, the Board approved a 90 day extension to the existing private security contract for the period of October 1, 2014 through January 31, 2015. In January 2015, the CEO authorized a two-month extension for the period covering February 1, 2015 through March 31, 2015.

At the March 19, 2015 System Safety, Security and Operations Committee, the contract was extended April 1, 2015 through September 30, 2015 to address the following:

- In April 24, 2014, the Board approved the Living Wage and Service Contract Worker Retention Policy. Due to Metro's adoption of Living Wage and Service Contract Worker Retention Policy Applicability as of July 1, 2014, Metro, under the CEO authority, extended the current contract in order to ensure compliance of the policy on the new multi-year contract going forward. Each of the qualified firms was provided the opportunity to resubmit their Best-And-Final Offer (BAFO) in accordance to the Living Wage and Service Contract Worker Retention Policy. Staff received all final BAFOs and per the RFP terms, PS2610-3117 Living Wage and Service Contract Worker Retention BAFO price proposals were valid for 180 days from November 24, 2014.

- On February 10, 2015, Bazillio Cobb Associates (BCA) was retained by Metro to evaluate the proposed transit community policing models and provide Metro with recommendations to return to the Board for further discussion leading into the new Transit Community Policing contract.
- The BCA audits recommendation was for Metro to use the current model without specifics to the deployment level. As a result, the project manager for the private security contract reevaluated the private security deployment and adjusted based on the current needs.
- At the March 19, 2015 System Safety, Security and Operations Committee Meeting, staff requested the current private security procurement, Request for Proposals (RFP) PS2610-3117, be cancelled to incorporate these findings. Staff instead moved forward with an IFB because there were already qualified, viable firms, and an IFB was a more streamlined procurement method.

Due to the need for staff to review the BCA recommendations before developing a comprehensive security and law enforcement deployment plan, staff requests to cancel IFB PS-14199 and authorization to prepare a new Security Services RFP after the BCA recommendations have been reviewed.

DETERMINATION OF SAFETY IMPACT

The extension of this contract will provide a positive impact on the safety of our employees and patrons by deterring crimes on properties and facilities throughout our service area, including employee parking facilities, Metro Rail and Bus System parking lots, and supportive facilities.

FINANCIAL IMPACT

In FY16, Cost Center 2610 System Security and Law Enforcement was budgeted for \$5,100,000 for Private Security Contract Services. Funding in the amount of \$3,019,674 for executing this contract modification will amend and be added to the FY 16 budget in cost center 2610, System Security and Law Enforcement under multiple bus and rail projects, 50320-Contract Services.

Impact to Budget

The source of funds for contract Transit Community Policing Services is from Enterprise Fund revenues (fares, sales tax revenues, and TDA4). No other sources of funds were considered for these expenses because this is the appropriate fund source for activities that benefit bus and rail operations. Since this is a multi-year project, the cost center manager and the Managing Executive Officer of the program will be responsible for budgeting in future years.

ALTERNATIVES CONSIDERED

Staff considered the following alternatives:

- Complete the current private security IFB and return to the Board for contract award. This option is not recommended because staff would like to incorporate the recommendations from the current policing model study from the Office of the Inspector General. The recommendations from this study will have a financial impact to the private security contract by directly impacting the deployment level.
- Utilize in-house Security staff to perform these functions. Staff analyzed this option and does not recommend it. Although minor savings would be achieved in the first year, the costs would be higher in the following years due to step increases structured into the Teamsters contract. Additionally, the skill level required for most of the work assigned to the private security contractor staff does not warrant assignment of our well trained and higher level Metro Security Officers.
- Utilize contracted law enforcement to perform these functions. Staff does not recommend this alternative because the skill level required does not warrant sworn peace officers and their substantially higher costs.

NEXT STEPS

Metro staff will craft a new RFP after the BCA recommendations have been reviewed. BCA is expected to complete their review by the end of 2015.

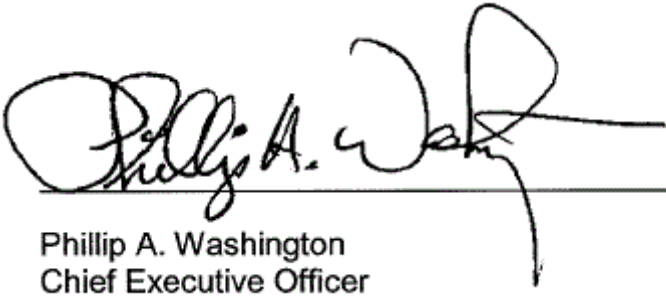
Metro staff will continue to work with the private security contractor to ensure dedicated fixed-post security protections to Metro properties.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log

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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

PRIVATE SECURITY CONTRACTOR SERVICES/PS26102156

1.	Contract Number: PS26102156		
2.	Contractor: RMI International Inc.		
3.	Mod. Work Description: 12-month contract extension		
4.	Contract Work Description: Private Security Contractor Services		
5.	The following data is current as of: 08/26/15		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	09/01/08	Contract Award Amount: \$24,363,136
	Notice to Proceed (NTP):	09/01/08	Total of Modifications Approved: \$13,575,247
	Original Complete Date:	08/31/11	Pending Modifications (including this action): \$8,119,674
	Current Est. Complete Date:	09/30/15	Current Contract Value (with this action): \$46,058,057
7.	Contract Administrator: James Nolan		Telephone Number: (213) 922-7312
8.	Project Manager: Duane Martin		Telephone Number: (213) 922-7460

A. Procurement Background

This Board Action is to approve Modification No. 16 issued to RMI International Inc. in support of Private Security Contractor Services for Metro properties and facilities.

This contract modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Unit Price.

A five-year firm fixed unit rate contract, Contract No. PS26102156, was awarded to RMI International for private security contractor services in an amount not-to-exceed \$24,363,136, inclusive of two, one-year options effective September 1, 2008.

Several contract modifications have been executed under the authority of Chief Executive Officer and/or Metro Board authority.

Refer to Attachment B – Contract Modification/Change Order Log.

B. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon adequate competition and price analysis. The rates that were bid by RMI International for IFB PS14199 were determined fair and reasonable in that competitive process and will be included in this recommended contract modification to charge Metro during the extension period..

Proposed Amount	Metro ICE	Negotiated Amount
\$8,119,674	\$9,000,000	\$8,119,674

C. Small Business Participation

RMI International, Inc. made a 30.50% Small Business Enterprise (SBE) commitment by listing one SBE subcontractor. RMI international, Inc. is exceeding their SBE commitment with a current SBE participation of 30.90%

SMALL BUSINESS COMMITMENT	30.50% SBE	SMALL BUSINESS PARTICIPATION	30.90% SBE
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	SBE Subcontractors	% Committed	Current Participation¹
1.	Security America, Inc.	30.50%	30.90%
	Total	30.50%	30.90%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

D. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.

E. Prevailing Wage Applicability

Prevailing wage is not applicable to this modification.

CONTRACT MODIFICATION/CHANGE ORDER LOG

PRIVATE SECURITY CONTRACTOR SERVICES/PS26102156

Mod. No.	Original Contract (inclusive of options)	09/01/08	\$24,363,136
1.	Added overtime rates and six paid holidays.	09/15/11	\$0.00
2.	Clarifications on compensation payment schedule and as-needed additional security officers.	06/4/10	\$0.00
3.	Exercised 1st Option Year effective September 1, 2011 through September 1, 2012.	09/01/11	\$0.00
4.	Exercised 2nd Option Year effective September 1, 2012 through September 1, 2013.	09/01/12	\$0.00
5.	Extended contract term through December 31, 2013.	08/28/13	\$0.00
6.	Extended contract term through February 28, 2014 and added funding.	11/05/13	\$500,000
7.	Extended contract term through March 31, 2014 and added funding.	12/26/13	\$500,000
8.	Added funding to contract.	01/13/14	\$500,000
9.	Added funding to contract.	01/31/14	\$500,000
10.	Added funding to contract.	02/07/14	\$436,314
11.	Extended contract term through June 30, 2014 and added funding.	03/17/14	\$1,608,933
12.	Extended contract term through September 30, 2014 and added funding.	06/26/14	\$2,670,000
13.	Extended contract term through January 31, 2015 and added funding.	09/26/14	\$3,560,000

14.	Extended contract term through March 31, 2015.	12/15/14	\$0.00
15.	Extended contract term through September 30, 2015 and added funding.	03/26/15	\$3,300,000
16.	Extend contract term through September 30, 2016 and add funding	Pending	\$8,119,674
	Total Contract Value		\$46,058,057