



Metro

Los Angeles County
Metropolitan Transportation Authority

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
MARCH 19, 2015**

SUBJECT: SECURITY GUARD SERVICES

**ACTION: AUTHORIZE A SIX-MONTH PRIVATE SECURITY CONTRACT
EXTENSION**

RECOMMENDATION

- A. Authorize the Chief Executive Officer to execute Modification No. 15 to Contract No. PS26102156 with RMI International to provide private security services for the period April 1, 2015 through September 30, 2015 in the amount of \$3,300,000, increasing the total contract value from \$34,638,383 to \$37,938,383; and
- B. Cancel procurement no. PS2610-3117 for Private Security Services.

ISSUE

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 that 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 2014 monthly Board meeting, the approved extension was changed from 60 to 90 days due to no Board meeting being held in August 2014.

On 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 has received all final BAFOs. Per the RFP terms, PS2610-3117 Living Wage & Worker Retention BAFO price proposals are 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 recommendations from BCA will have an impact to the overall Metro security program, specifically the allocation of resources of law enforcement, Metro-In House Security, and private security. Such allocation of resources may result in enhancing Metro's continuity of operations to best protect Metro transit system. There has been no recommendation for award on the "active" procurement PS2610-3117 because the scope of work will change in accordance with yet unknown BCA recommendations. Staff requests cancellation of the active procurement since a new procurement will be required.

Therefore, staff is returning to the Board to request a six month extension to the current contract to allow further evaluation of the service levels stipulated in the current private security Request For Proposal (RFP).

DISCUSSION

On February 10, 2015, Bazillio Cobb Associates (BCA) was retained by Metro to evaluate the proposed transit community policing models and provide staff with recommendations to return to the Board for further discussion leading into the new Transit Community Policing contract. The recommendations from BCA will have an impact to the overall Metro security program, specifically the allocation of resources of law enforcement, Metro-In House Security, and private security as the proposed policing models are based on deployments from bus and rail Divisions. Currently, 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. Staff believes it is important to take a comprehensive review of all these factors and the impacts it will have from the BCA's recommendations. The following are, but not limited to, considerations staff will be addressing:

- Will there be duplications of coverage at our rail and bus divisions with the new adopted policing model?
- Will the new policing model warrant an increase/decrease of private security service levels?
- Is there an economy of scale afforded by new policing model?
- What will be the cost impact (If any) due to an increase/decrease of private security services?

Staff is requesting a 6 months extension to the current private security contract to afford staff the opportunity to conduct a comprehensive review and re-procurement of the private security contract based upon the recommendations from BCA's assessment.

Staff anticipates the following activities to occur as a result of this extension:

Activities	Duration
1. Cancellation of current RFP by Contracting Officer 2. Review BCA Recommendations for Transit Community Policing Models 3. Review Private Security Service Levels and Adopt Appropriate Recommendations Into the Private Security Statement of Work to Complement Law Enforcement Services	Up To One (1) Month
4. Re-Procurement	Up To Four (4) Months
5. Board Authorization for Contract Award (To Be Determined)	One (1) Month

Once staff completes the comprehensive review, we will work with our Procurement Department to take appropriate next steps to procuring new private security contract.

DETERMINATION OF SAFETY IMPACT

The authorization of the six month extension 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

Funding of \$3,300,000 for modifying the existing contract is included in the Fiscal Year (FY) 2015 and will be requested in FY16 budget cycle in cost center 2610, System Security and Law Enforcement under multiple bus and rail projects, 50320-Contract Services. The allocation of funding by Fiscal Years:

- FY 15 \$1,650,000
- FY 16 1,650,000
- \$3,300,000

Impact on Bus and Rail Operating and Capital 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.

ALTERNATIVES CONSIDERED

Staff considered the following alternatives:

- Proceed with the current procurement, PS2610-3117, with the following options:
 - Award a contract to one or more proposers (IP-15 Metro Rights, #11); or
 - Cancel the entire RFP (IP-15 Metro Rights, #3).
- 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.
- Issue stop work order for the current security contractor services. This alternative is not recommended because this is a critical security program and we do not currently have the security assets to provide the current level of protection for our customers and employees if the Contract Modification 15 is not approved.

NEXT STEPS

During the extension period, Metro will:

1. Review BCA Recommendations for Transit Community Policing Models;
2. Review Private Security Service Levels and Adopt Appropriate Recommendations Into the Private Security Statement of Work to Complement the Current and New Law Enforcement Services;
3. Re-Procurement; and
4. Board Authorization for Contract Award (To Be Determined)

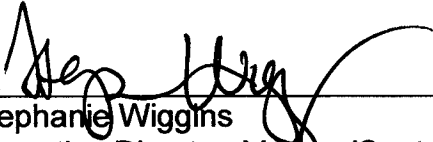
Metro staff will continue to work with the current private security contractor to ensure dedicated fixed-post security protections to Metro properties and assets.

Metro will return within six months to the Board with a recommendation.

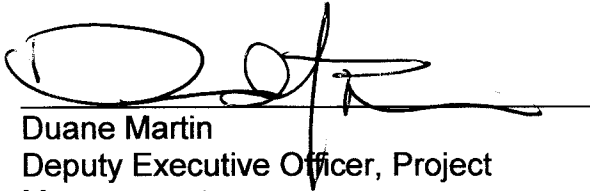
ATTACHMENT

A. Procurement Summary

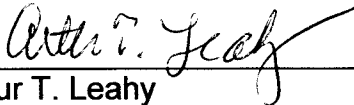
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Arthur T. Leahy
Chief Executive Officer

PROCUREMENT SUMMARY

SECURITY GUARD SERVICES/PS26102156

1.	Contract No.: PS26102156		
2.	Contractor: RMI International		
3.	Mod. Work Description: Contract Extension		
4.	Work Description: Private Security Guard Services		
5.	The following data is current as of:	February 18, 2015	
6.	Contract Completion Status:		
	Bids Opened	N/A	Financial Status
	Contract Awarded	09/01/08	Contract Award Amount \$24,363,136
	NTP	09/01/08	Total of Modifications approved \$10,275,247
	Orig. Completion Date	08/31/11	Pending Modifications (including this action) \$3,300,000
	Current Est. Complete Date	03/31/15	Proposed Contract Value (with this action) \$37,938,383
7.	Contract Administrator: James Nolan	Telephone Number: (213) 922-7312	
8.	Project Manager: Duane Martin	Telephone Number: (213) 922-7460	

A. Procurement Background

The Board Action is to approve modification no. 15 issued in support of private contract security services for various Metro facilities/locations.

This contract modification will be processed in accordance with Metro’s Acquisition Policy and the contract type is 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 Board Authority and/or the authority of Chief Executive Officer.

(Refer to Modification B – Contract Modification Log)

B. Cost/Price Analysis

The recommended price for this modification is fair and reasonable based upon fixed unit rates resulting from competitive process based upon adequate competition at time of contract award. This is a firm, fixed unit price contract and the unit prices for this extension have not changed.

	Proposal Amount	Accepted Amount	ICE
1.	\$3,300,000	\$3,300,000	\$3,300,000

C. Small Business Participation

RMI International, Inc. made a 30.5% Small Business Enterprise (SBE) commitment by listing one SBE subcontractor. RMI International, Inc. is exceeding their SBE commitment with a current SBE participation of 33.33%.

SMALL BUSINESS COMMITMENT	SBE 30.50%	SMALL BUSINESS PARTICIPATION	SBE 32.70%
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	DBE Subcontractor	% Committed	Current Participation¹
1.	Security America, Inc.	30.50%	32.70%
	Totals	30.50%	32.70%

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

D. Living Wage and Service Worker Retention Policy Applicability

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

CONTRACT MODIFICATION/CHANGE LOG

SECURITY GUARD SERVICES/PS26102156

Mod. no.	Original Contract	09/01/08	\$24,363,136
1	In September 2008, the Chief Executive Officer approved Modification #1 to add overtime rates and six paid holidays.	09/01/08	\$0.00
2	In June 2010, the Chief Executive Officer approved Modification #2 for clarifications on compensation payment schedule and as-needed additional security officers.	06/14/10	\$0.00
3	In September 2011, the Chief Executive Officer executed Option Year #1 (Modification #3), effective from the period September 1, 2011 through September 1, 2012.	09/01/11	\$0.00
4	In September 2012, the Chief Executive Officer executed Option Year #2 (Modification #4), effective from the period September 1, 2012 through September 1, 2013).	09/01/12	\$0.00
5	In August 2013, under the Chief Executive Officer authority, Modification #5 was executed covering a four month extension for the period between September 1, 2013 and December 31, 2013.	08/28/13	\$0.00
6	In November 2013, under the Chief Executive Officer authority, Modification #6 was executed covering a two month extension for the period between January 1, 2014 and February 28, 2014 in the amount of \$500,000 for a new NTE of \$24,863,136.	11/05/13	\$500,000.00
7	In December 2013, under the Chief Executive Officer authority, Modification #7 was executed covering one-month extension for the period March 1, 2014 through March 30, 2014 in the amount of \$500,000, for new NTE of \$25,363,136	12/26/13	\$500,000.00
8	In January 2014, under the Chief Executive Officer authority, Modification #8 was executed to add additional funding in the amount of \$500,000 for a new NTE of \$25,863,136.	01/13/14	\$500,000.00

9	In February 2014, under the Chief Executive Officer authority, Modification #9 was executed to add additional funding in the amount of \$500,000 for a new NTE of \$26,363,136.	01/31/14	\$500,000.00
10	Modification #10, increased contract value by \$436,314 to a not-to-exceed amount of \$26,799,450.	02/07/14	\$436,314.00
11	Modification #11, authorized the Chief Executive Officer to execute a three months extension for the period covering April 1, 2014 through June 30, 2014 and to increase the total contract value from \$26,799,450 to a not-to-exceed amount of \$28,408,383.	03/17/14	\$1,608,933.00
12	Modification #12, by Board authority authorized the Chief Executive Officer to extend contract through September 30, 2014 and to increase the total contract value from \$28,403,383 to a not-to-exceed amount of \$31,078,383.	06/26/14	\$2,670,000.00
13	Modification #13, by Board authority authorized the Chief Executive Officer to execute a four month extension for the period covering October 1, 2014 through January 31, 2015 and to increase the total contract value from \$31,078,383 to a not-to-exceed amount of \$34,078,383.	09/26/14	\$3,560,000.00
14	Modification #14, under Chief Executive Officer authority a two month extension was executed for the period covering February 1, 2015 through March 31, 2015.	12/15/14	\$0.00
15	Pending Board Approval Modification #15, the subject of this Board action, to authorize the Chief Executive Officer to execute a six month extension for the period covering April 1, 2015 through September 30, 2015 and to increase the total contract value from \$34,078,383 to a not-to-exceed amount of \$37,938,383.		\$3,300,000.00
	Total:		\$13,575,247.00 (Total of all Mods)