

## AGENDA REPORT

**Resolution:** Approve and Authorize the Executive Director to Execute an Agreement with Cypress Private Security, LP for Maritime Security Patrol Services for a Term of two Years with Two, 1-Year Options to Extend, in an Amount Not to Exceed \$1,100,000. **(Maritime)**

**MEETING DATE:** 6/13/2019

**AMOUNT:** \$1,100,000

**PARTIES INVOLVED:** Cypress Private Security, LP  
Kes Narbutas, Chief Executive Officer

**SUBMITTED BY:** John C. Driscoll, Director of Maritime

**APPROVED BY:** J. Christopher Lytle, Executive Director

**ACTION TYPE:** Resolution

### **EXECUTIVE SUMMARY**

In February 2019, the Port of Oakland ("Port") issued a Request for Proposals ("RFP") for Maritime Security Patrol Services, to continue mobile security guard patrols of the Port's Maritime Area ("Seaport"). Based on the proposals received, Port staff ("Staff") has identified Cypress Private Security, L.P. ("Cypress") as the top-ranked respondent, and seeks authorization from the Board of Port Commissioners ("Board") to enter into a contract with Cypress for a term of two years with two, one-year option to extend. Cypress is the firm currently providing patrol services under a contract set to expire June 30, 2019.

### **BACKGROUND**

In June 2016, the Board awarded a Professional Services Agreement ("PSA") for Maritime Security Patrol Services to Cypress for a three-year term commencing June 16, 2016 and expiring on June 30, 2019. The PSA was for an amount not to exceed \$750,000, and as of June 30, 2019, actual costs are projected to be \$687,000.

In light of the expiration of the current PSA, Staff issued a RFP in February 2019 to continue providing 24/7 mobile security guard patrol services throughout the Seaport. Benefits of continuing these security patrol services include real-time monitoring and reporting of routine and suspicious activities, assisting with traffic and port efficiency issues, and improving the safety and security within the Seaport by deterring, detecting, and responding to incidents and vulnerabilities. The RFP called for proposals for a 2-year contract with two, 1-year options to extend.

Outreach efforts associated with the RFP process included the following:

- RFP was posted on the Port Website (<http://www.portfoakland.com/business/bids-rfps/>).
- Port’s Purchasing Department sent email notification to 36 companies.
- Port’s Social Responsibility Division sent solicitation notifications to 134 recipients subscribed through Community Based Organizations, and Chamber of Commerce branches, as well as qualified Port certified LIA/LBA SBE and VSBE firms.
- RFP advertised in the Oakland Tribune.
- 10 companies attended the non-mandatory pre-proposal meeting on March 8, 2019.

**ANALYSIS**

Ten firms submitted proposals by the due date of April 1, 2019. To evaluate the proposals received, the Port established a four-person Evaluation Committee (the “Committee”) comprised of staff from the Port’s Maritime, Commercial Real Estate, Engineering, and Social Responsibility divisions. All the proposals received qualified for Committee review and demonstrated they could perform the services requested. The evaluation results, and evaluation criteria, are summarized in the tables below:

<b>Rank</b>	<b>Proposers</b>	<b>Location</b>	<b>Certified LIA/LBA*</b>
1	Cypress Private Security, LP	Oakland, CA	Yes (LIA)
2	ABC Security Services, Inc.	Oakland, CA	Yes (LIA)
3	Admiral Security Services, Inc.	Oakland, CA	Yes (LIA)
4	PACWEST Security Services	Costa Mesa, CA	No
5	First Security Services	Oakland, CA	No
6	Kingdom Security, Inc.	San Diego, CA	No
7	American Guard Services	San Leandro, CA	No
8	Power Security Group	Corona, CA	No
9	Spearhead Protection, Inc.	Antioch, CA	Yes (LBA)
10	Delta One Security, Inc.	Fairfield, CA	No

\* Local Impact Area (“LIA”): Oakland, Alameda, San Leandro, and Emeryville. Local Business Area (“LBA”) Alameda and Contra Costa Counties

Item	Evaluation Criteria	Weights
	<u>Minimum Qualifications</u> <ul style="list-style-type: none"> <li>California State Private Patrol Operator License Certificate</li> <li>Proof of Guard Licenses Provided</li> </ul>	Pass/Fail
	<u>Adherence to Port Policy and Other Requirements and Debarment Statement</u> Completion of forms attached to the RFP	Pass/Fail
1	<u>Company Information (Client References, Litigation and Other Information, and Required Forms)</u> Company Information, Client References, Litigation and Other Information, and Required Forms	15%
2	<u>Knowledge and Experience</u> Proposer's knowledge and experience in providing services of similar size and scope as services in RFP	20%
3	<u>Plan and Approach</u> Details of proposed plan/approach to address the requirements of the RFP	25%
4	<u>Proposed Costs</u> Fee proposal, including rates for security guard, patrol vehicle, profit, health benefits, etc.	25%
5	<u>Non-Discrimination and Small Local Business Utilization Policy</u> Ability to provide substantiating documentation to show company meets the Port's definition of Small Local Business	15%
	<b>Total</b>	<b>100%</b>

While the top two respondents stood out in comparison to the remaining eight proposers, Cypress Private Security, LP received the overall highest ranking as a result of the comprehensive evaluation process. Additionally, while Cypress was not the lowest cost proposal (the proposal was \$15,000 more per year (\$1,250/month) than the second-ranked proposer), the Committee appreciated that the additional cost directly correlates to the higher wages for the security guards. Staff believes the additional expense will enhance the acquisition and, more importantly, retention of quality security patrol officers.

Per Cypress' proposal, Maritime Security Patrol Services would cost approximately \$260,180 per year (\$21,682 per month). Over the full 4-year term, if extended, the maximum compensation to Cypress would be approximately \$1,040,720. Staff recommends a maximum compensation amount of \$1,100,000 million to provide a buffer in the event of significant unforeseen circumstances/events.

## **BUDGET & STAFFING**

There is no budget impact as these costs are included in Maritime's proposed FY 2019-20 operating expense budget, which is under development. The proposed action does not have any staffing impact.

## **MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)**

The matters included in this Agenda Report do not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) and the provisions of the MAPLA do not apply to this work.

## **STRATEGIC PLAN**

The action described herein would help the Port achieve the following goals and objectives in the Port's Strategic Business Plan (2018-2022).

<https://www.portofoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

- Goal: Strengthen Safety and Security
- Goal: Improve Customer Service

## **LIVING WAGE**

Living wage requirements, in accordance with the Port's Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the "Living Wage Regulations"), do not apply to this agreement as the service provider does not employ 21 or more employees working on Port-related work. However, the service provider will be required to certify that should living wage obligations become applicable, the service provider shall comply with the Living Wage Regulations.

## **SUSTAINABILITY**

Port staff reviewed the Port's 2000 Sustainability Policy and did not complete the Sustainability Opportunities Assessment Form. Port staff concluded that there are no sustainability opportunities related to this proposed action because it does not involve a development project, purchasing equipment, or operations that presents sustainability opportunities.

## **ENVIRONMENTAL**

The proposal to authorize the Executive Director to enter into contract with Cypress for Maritime Security Patrol Services was reviewed in accordance with the requirements of the California Environmental Quality Act (CEQA), and the Port CEQA Guidelines. The general rule in Section 15061(b)(3) of the CEQA Guidelines states that CEQA applies only to activities that have a potential for causing a significant effect on the environment. It can be seen with certainty that

there is no possibility continuing an existing contract for security patrol services will have a significant effect on the environment, and therefore this action is not subject to CEQA.

### **GENERAL PLAN**

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility; therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

### **OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)**

Professional service agreements are not subject to the Port's Owner Controlled Insurance Program (OCIP) as professional services are not construction activities.

### **OPTIONS**

Staff has identified the following options for the Board's consideration:

1. Authorize the Executive Director to (a) execute a professional services agreement with Cypress for a term not to exceed four years and maximum compensation not to exceed \$1,100,000 and, (b) resolve any bid protests. This is the recommended action.
2. Do not authorize the Executive Director to enter into an agreement with Cypress, and direct Staff to (a) select another respondent to the RFP for reasons determined by the Board or, (b) conduct a new RFP process for Maritime Security Patrol Services. Under this option, selecting (b) would result in the current agreement with Cypress defaulting to a "month-to-month" contract until the RFP process is completed and an alternative vendor approved.

### **RECOMMENDATION**

Adopt a resolution authorizing the Executive Director to enter into a professional services agreement with Cypress Private Security, LP, for Port of Oakland Maritime Security Patrol services for a term of two years (through June 30, 2021), with two, 1-year options to extend the term (through June 30, 2023), subject to approval as to form and legality by the Port Attorney, in an amount not to exceed \$1,100,000.