

# Memorandum



CITY OF DALLAS

DATE June 12, 2015

TO Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair),  
Jennifer S. Gates (Vice Chair), Tennell Atkins, Sheffie Kadane, Philip T. Kingston

SUBJECT Security Services Contract and Wage Rates

On June 15, 2015 the Budget, Finance and Audit Committee will be Security Services Contract and Wage Rates. The briefing will be presented by Mike Frosch, Director of Business Development and Procurement Services. The briefing is attached for your review.

Please let me know if you need additional information.

A handwritten signature in blue ink that reads "Jeanne Chipperfield".

Jeanne Chipperfield  
Chief Financial Officer

c: Honorable Mayor and Members of City Council  
A.C. Gonzalez, City Manager  
Warren M.S. Ernst, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Ryan S. Evans, First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager  
Joey Zapata, Assistant City Manager  
Mark McDaniel, Assistant City Manager  
Eric D. Campbell, Assistant City Manager  
Sana Syed, Public Information Officer  
Mark Duebner, Director, Aviation  
Elsa Cantu, Assistant to the City Manager

# Security Services Contract and Wage Rates

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BUDGET, FINANCE AND AUDIT COMMITTEE  
JUNE 15, 2015



# Purpose

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Review the recommended proposal for the armed and unarmed security guard contract to be considered on the June 17, 2015 Council agenda

- Background
- Procurement process
- Results
- Recommendation and next steps

# Previous Wage Discussions

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- May 2008 - Council discussed policy related to labor-related contracts
- Council directed the removal of all wage requirements (other than Federal minimum wage) from contracts and allowed for the market to establish the contactor's wages to employees

# Previous Wage Discussions (cont'd)

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- Sanitation labor benefits have been discussed during previous Council budget deliberations and at recent Quality of Life meetings
  - Impact to Sanitation fee to hire day laborers was estimated to be up to \$4M annually (a \$1.60 impact to Sanitation Fee)
  - Led to discussions of potential option for temporary laborers to become City employees
  - Quality of Life Committee told City to proceed with pilot program on June 8, 2015
- Legal briefings given regarding City's consideration of wage rates
- Citywide fiscal impact was discussed most recently during the FY 14-15 budget deliberations
  - Conservative approximation of \$12.4M/yr. increase for similar scope of services at \$10.25 hr.

# Background

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- Equipment and Building Services provides security guards for a limited number of City facilities
  - (49 FTE's) City Hall, Central Library, Municipal Courts, MLK and OCMC locations
- The remainder of the security needs are currently handled through contract officers
  - Dallas Love Field, Executive Airport and parking
  - Library branches (28)
  - Park and Recreation facilities and Fair Park
  - Water Utilities locations including treatment plants and pumping facilities (33)
  - Kay Bailey Hutchison Convention Center Dallas
  - Office of Cultural Affairs facilities (9)
  - Trinity Watershed Management facilities (3)
  - Dallas Fire-Rescue Dolphin Road facilities
  - McCommas Bluff Landfill

# Current Contract History

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- April 13, 2011, Council authorized a four-year service contract by Resolution No. 11-0907
- April 22, 2015, Council authorized supplemental agreement no. 1 to the service contract to extend the term from April 30, 2015 to July 30, 2015, by Resolution No. 15-0750
- June 1, 2015, Briefing memo to Budget, Finance and Audit Committee, recommended to move forward for Council consideration
- June 10, 2015, Council deferred to June 17, 2015 and requested the contract be briefed at the June 15, 2015, Budget Finance and Audit Committee meeting

# Procurement Process

Current vs. Recommended		
<i>Elements</i>	<i>Current Contract</i>	<i>Recommended Contract</i>
<i>Term</i>	4 year contract	4 year contract
<i>Procurement Type</i>	<u>Low Bid</u> meeting minimum specification	<b><u>PROPOSAL - Contract Negotiations</u></b> 35% Experience and qualifications 30% Cost - Billable rate to the City 20% Work plan 15% Business Inclusion and Development Plan
<i>Performance Bond Required</i>	Yes, 25% of annual contract	Yes, 25% of annual contract
<i>M/WBE Required</i>	Yes	Yes
<i>Contract Amount</i>	\$29,685,695	\$58,096,822



# Recommended Contract Facts

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- Estimated contract hours – 3,100,000
  - Equivalent to 373 FTE's
- Overall increase in estimated total hours
  - 22% or 566,972 hours
- Departments with anticipated increases
  - Library, Fair Park, Aviation, Park & Recreation
- New facilities added to the service contract
  - Code Compliance
  - Trinity Watershed Management
    - Continental Bridge and Irving Blvd. locations

# Recommended Contract Facts

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- Contract was separated into 12 groups representing the different needs of each City department
- Total hourly rate lines within the contract - 27
- Number of contract lines paying less than \$10.62/hr. (City's lowest full-time rate )
  - 6 or 12.59% of the overall contract amount
- Hypothetically increasing the 6 lines to \$10.62/hr. would increase the overall contract cost by \$1.7M

# Procurement Activity

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- The Request for Competitive Sealed Proposal (RFCSP) was advertised February 13 & 19, 2015
- As part of the vendor notification process, 722 electronic notices were sent by the City's web-based procurement system
- Additionally, notifications were sent by BDPS ResourceLINK Team (RLT) to 25 chambers of commerce, and 2 advocacy groups (i.e. DFW Minority Business Council and Women's Business Council-Southwest)

# Procurement Activity (cont'd)

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- A pre-proposal conference was held February 20, 2015
  - 12 companies were represented
    - Andy Frain Services, Inc.
    - Cooley's Security Service
    - Twin City Security, Inc.
    - Allied Barton Security Services, LLC
    - Ruiz Protective Service, Inc.
    - Executive Security
    - Texas Professional Security
    - Kent Security of Texas, Inc.
    - Sunstates Security
    - G45 Security Solutions
    - Platinum Security
    - Signal 88 Security
- Vendors were encouraged to attend site visits at the various City facilities

# Procurement Activity (cont'd)

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- 103 vendor questions were received and addressed in 6 addenda
- Extended the original due date to allow time for vendors to review City's responses
- March 18<sup>th</sup>, 2015– BDPS received eleven proposals:
  - Allied Barton Security Services, LLC
  - Andy Frain Services, Inc.
  - Cooley's Security Service
  - Twin City Security, Inc.
  - Ruiz Protective Service, Inc.
  - Norred & Associates, Inc.
  - ORJR, Inc. dba Texas Professional Security Services
  - Kent Security of Texas, Inc.
  - Giadolor Holdings, Inc. dba Dog World Services
  - U.S. Security Associates, Inc.
  - Champion National Security, Inc.

# Procurement Activity (cont'd)

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## March 2015

- Proposals were reviewed by an eight member evaluation team

## March - April 2015

- Presentations scheduled with all eleven proposers
- Evaluations and committee rankings

## May 2015

- Contract negotiations to include Best and Final Offers received from all proposers
- Updated final scoring

## June 1, 2015

- Briefing memo to Budget, Finance and Audit Committee

# Summary Results by Group

Most Advantageous Proposer	Group	Proposed Amount	Overall Scoring	% Under \$10.62 from Overall Total Contract
<b>Ruiz Protective Service, Inc.</b>	<b>1 – LIB</b>	<b>\$ 2,373,851.20</b>	<b>81.98</b>	<b>4.09%</b>
<b>Norred &amp; Associates, Inc.</b>	<b>2 – FP</b>	<b>\$ 2,810,607.04</b>	<b>79.00</b>	<b>4.84%</b>
Allied Barton Security Services, LLC	3 – DWU	\$ 14,224,438.80	83.09	0.00%
Allied Barton Security Services, LLC	4 – CCT	\$ 16,094,570.96	86.27	0.00%
Allied Barton Security Services, LLC	5 – AVI	\$ 9,183,020.82	84.75	0.00%
Ruiz Protective Service, Inc.	6 – OCA	\$ 3,036,433.60	77.78	0.00%
Ruiz Protective Service, Inc.	7 - EBS	\$ 5,840,273.92	82.03	0.00%
<b>Ruiz Protective Service, Inc.</b>	<b>8 - PKR</b>	<b>\$ 2,335,900.00</b>	<b>80.84</b>	<b>2.71%</b>
<b>Norred &amp; Associates, Inc.</b>	<b>9 - DFR</b>	<b>\$ 591,884.80</b>	<b>79.67</b>	<b>0.96%</b>
Ruiz Protective Service, Inc.	10 – TWM	\$ 1,026,425.20	80.03	0.00%
Ruiz Protective Service, Inc.	11 – CCS	\$ 269,955.00	81.54	0.00%
Ruiz Protective Service, Inc.	12 - SAN	\$ 309,460.32	83.24	0.00%
	<b>Total</b>	<b>\$ 58,096,821.66</b>		<b>12.59%</b>

\*Detailed Scoring Summary - Appendix A

# Pay Ranges by Proposer

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## Allied Barton Security Services, LLC

- \$12.50 - \$18 hr.
- depending on assignment/location

## Ruiz Protection Service, Inc.

- \$9 - \$18 hr.
- depending on assignment/location

## Norred & Associates, Inc.

- \$8 - \$12.02 hr.
- depending on assignment/location



# M/WBE Contract Summary - 44.46%

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## Allied Barton Security Services, LLC.

- Houston Harris Patrol Division
  - Hispanic Male - 23.8% or \$9.4m

## Ruiz Protective Service, Inc.

- Hispanic male owned
- D'Leon Protective Service, LLC.
  - Hispanic female owned – 13.8% or \$2.27m
- Carrizal & Associates
  - Hispanic male owned – 10% or \$1.5m

## Norred & Associates, Inc.

- National Security & Protective Services, Inc.
  - Black male owned – 36.3% or \$1.2m

# Summary

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- Proposal process resulted in the most advantageous firms being recommended
- No wage requirement other than Federal minimum wage were included in the specifications
- Recommended contract pays contract employees higher wages than the current contract

# Recommendation

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- Approve an action item on the Council's June 17, 2015 agenda authorizing a four year service contract to provide armed and unarmed security guards to patrol and protect City facilities in a total amount not to exceed \$58,096,822

Questions?

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# Appendix A

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## BVZ1506 - Security Guard Services Evaluation Summary

GROUP 1-LIBRARY BRANCHES	VENDOR	PROPOSED PRICE	AVERAGE SCORE	RANK
	Ruiz Protective Service, Inc.	\$2,373,851.20	81.98	1
	Norred & Associates, Inc.	\$1,765,633.80	79.00	2
	Andy Frain Services	\$2,439,427.20	60.88	3
	Kent Security of Texas, Inc.	\$2,442,706.00	60.35	4
	Champion National Security	\$2,291,881.20	58.44	5
	Twin City Security, Inc.	\$2,654,188.60	57.29	6
	Texas Professional Security Serv.	\$2,295,160.00	41.58	7
	Cooley's Security Services	\$2,385,327.00	36.54	8

GROUP 2-FAIR PARK	VENDOR	PROPOSED PRICE	AVERAGE SCORE	RANK
	Norred & Associates, Inc.	\$2,810,607.04	79.00	1
	Ruiz Protective Service, Inc.	\$5,419,610.40	74.73	2
	Kent Security of Texas, Inc.	\$3,877,064.00	60.42	3
	Andy Frain Services	\$3,891,299.36	60.17	4
	Champion National Security	\$3,732,456.48	56.92	5
	Dog World Services	\$3,309,525.76	44.48	6
	Texas Professional Security Serv.	\$3,504,332.00	43.23	7
	Cooley's Security Services	\$3,718,250.40	37.01	8

GROUP 3-DALLAS WATER UTILITIES	VENDOR	PROPOSED PRICE	AVERAGE SCORE	RANK
	Allied Barton Security Services, LLC	\$14,224,438.80	83.09	1
	Norred & Associates, Inc.	\$7,072,774.00	79.00	2
	Ruiz Protective Service, Inc.	\$9,064,830.32	78.41	3
	Twin City Security, Inc.	\$8,979,458.00	61.63	4
	Kent Security of Texas, Inc.	\$9,674,980.00	60.10	5
	Andy Frain Services	\$10,012,500.00	58.86	6
	Champion National Security	\$10,037,226.00	58.14	7
	Dog World Services	\$8,406,186.80	44.41	8
	Texas Professional Security Serv.	\$9,169,300.00	42.31	9
	Cooley's Security Services	\$9,357,510.00	37.01	10

GROUP 4-CONVENTION CENTER	VENDOR	PROPOSED PRICE	AVERAGE SCORE	RANK
	Allied Barton Security Services, LLC	\$16,094,570.96	86.27	1
	Ruiz Protective Service, Inc.	\$12,550,637.40	79.17	2
	Norred & Associates, Inc.	\$9,622,259.34	78.33	3
	U.S. Security Associates, Inc.	\$13,596,474.98	71.73	4
	Kent Security of Texas, Inc.	\$13,162,571.60	59.93	5
	Twin City Security, Inc.	\$12,574,984.38	59.63	6
	Andy Frain Services	\$13,322,772.16	59.34	7
	Champion National Security	\$12,487,845.40	58.12	8
	Texas Professional Security Serv.	\$12,325,421.50	42.25	9
	Dog World Services	\$12,860,960.50	41.45	10

GROUP 5-AVIATION	VENDOR	PROPOSED PRICE	AVERAGE SCORE	RANK
	Allied Barton Security Services, LLC	\$9,183,020.82	84.75	1
	Ruiz Protective Service, Inc.	\$7,825,515.14	75.65	2
	Norred & Associates, Inc.	\$5,125,798.56	71.83	3
	U.S. Security Associates, Inc.	\$7,314,494.06	70.85	4
	Andy Frain Services	\$7,253,485.18	47.53	5

\*\*Twin City Security, Inc., Kent Security of Texas, Inc., Champion National Security, Cooley's Security Services and Dog World Services were deemed non responsive due to not meeting the specifications.

GROUP 6-OFFICE OF CULTURAL AFFAIRS	VENDOR	PROPOSED PRICE	AVERAGE SCORE	RANK
	Ruiz Protective Service, Inc.	\$3,036,433.60	77.78	1
	Norred & Associates, Inc.	\$1,968,540.80	76.00	2
	U.S. Security Associates, Inc.	\$2,896,096.00	69.72	3
	Twin City Security, Inc.	\$2,474,756.80	61.36	4
	Kent Security of Texas, Inc.	\$2,702,544.00	60.68	5
	Andy Frain Services	\$2,682,188.80	58.35	6
	Champion National Security	\$2,605,268.80	57.84	7
	Dog World Services	\$2,180,038.40	44.26	8
	Cooley's Security Services	\$2,665,176.00	36.33	9

GROUP 7-EQUIPMENT & BUILDING SERV.	VENDOR	PROPOSED PRICE	AVERAGE SCORE	RANK
	Allied Barton Security Services, LLC	\$8,487,764.48	84.64	*
	Ruiz Protective Service, Inc.	\$5,840,273.92	82.03	1
	Norred & Associates, Inc.	\$4,614,305.28	78.83	2
	Twin City Security, Inc.	\$6,261,465.60	61.28	3
	Kent Security of Texas, Inc.	\$6,355,481.60	59.78	4
	Andy Frain Services	\$6,581,120.00	58.36	5
	Champion National Security	\$6,381,806.08	56.86	6
	Dog World Services	\$5,546,944.00	43.63	7
	Texas Professional Security Serv.	\$6,205,056.00	41.48	8
	Cooley's Security Services	\$6,223,859.20	37.24	9

\*Allied Barton Security Services, LLC and the City could not come to final terms.

GROUP 8-PARK & RECREATION	VENDOR	PROPOSED PRICE	AVERAGE SCORE	RANK
	Ruiz Protective Service, Inc.	\$2,335,900.00	80.84	1
	Norred & Associates, Inc.	\$1,778,660.00	78.33	2
	Andy Frain Services	\$2,462,504.00	60.50	3
	Champion National Security	\$2,382,460.00	58.07	4
	Kent Security of Texas, Inc.	\$2,770,200.00	56.26	5
	Dog World Services	\$2,306,400.00	41.97	6
	Texas Professional Security Serv.	\$2,447,000.00	40.81	7
	Cooley's Security Services	\$2,396,500.00	36.94	8

GROUP 9-DALLAS FIRE RESCUE	VENDOR	PROPOSED PRICE	AVERAGE SCORE	RANK
	Norred & Associates, Inc.	\$591,884.80	79.67	1
	Ruiz Protective Service, Inc.	\$930,601.78	76.91	2
	Kent Security of Texas, Inc.	\$784,256.00	59.97	3
	Champion National Security	\$797,810.00	59.09	4
	Dog World Services	\$809,838.00	40.76	5

<b>GROUP 10-TRINITY WATERSHED</b>	<b>VENDOR</b>	<b>PROPOSED PRICE</b>	<b>AVERAGE SCORE</b>	<b>RANK</b>
	Ruiz Protective Service, Inc.	\$1,026,425.20	80.03	1
	Norred & Associates, Inc.	\$759,528.56	79.83	2
	Twin City Security, Inc.	\$969,770.32	61.83	3
	Kent Security of Texas, Inc.	\$1,039,303.20	59.09	4
	Champion National Security	\$1,057,198.16	58.38	5
	Dog World Services	\$927,240.00	43.24	6
	Texas Professional Security Serv.	\$1,032,132.00	40.75	7
	Cooley's Security Services	\$1,035,108.40	36.18	8

<b>GROUP 11-CODE COMPLIANCE</b>	<b>VENDOR</b>	<b>PROPOSED PRICE</b>	<b>AVERAGE SCORE</b>	<b>RANK</b>
	Ruiz Protective Service, Inc.	\$269,955.00	81.54	1
	Norred & Associates, Inc.	\$210,307.80	80.00	2
	Twin City Security, Inc.	\$268,241.00	61.69	3
	Champion National Security	\$290,865.80	59.19	4
	Kent Security of Texas, Inc.	\$289,666.00	58.45	5
	Dog World Services	\$257,100.00	43.21	6
	Cooley's Security Services	\$283,667.00	36.24	7

<b>GROUP 12-SANITATION</b>	<b>VENDOR</b>	<b>PROPOSED PRICE</b>	<b>AVERAGE SCORE</b>	<b>RANK</b>
	Ruiz Protective Service, Inc.	\$309,460.32	83.24	1
	Norred & Associates, Inc.	\$272,430.08	81.67	2
	U.S. Security Associates, Inc.	\$412,087.52	71.83	3
	Twin City Security, Inc.	\$352,127.36	62.04	4
	Kent Security of Texas, Inc.	\$369,657.60	59.44	5
	Champion National Security	\$363,500.80	58.31	6
	Dog World Services	\$289,120.00	47.44	7
	Texas Professional Security Serv.	\$333,216.00	45.20	8
	Cooley's Security Services	\$350,771.20	37.47	9