



**San Francisco Office of the City Administrator
City Administrator Carmen Chu**

Citywide Contracts for Armed and Unarmed Security Guard Services (TC86005A and TC86005C)

File 24-0899 and 24-0900

Office of Contract Administration

Board of Supervisors' Budget and Finance Committee

October 9, 2024

Request Summary

- Authorize the Office of Contract Administration (“OCA”) to increase the not-to-exceed (“NTE”) amounts for Contract ID GRP0000005 with A1 Protective Services Inc. (“A1”) and Contract ID GRP0000007 with Treeline Security, Inc. (“Treeline”) for Citywide security guard services, with no change to each contract’s duration of 5 years.

	Original NTE	Revised NTE	Contract Term
A-1	\$8,750,000	\$34,767,000	7/1/23 to 7/1/28
Treeline	\$8,750,000	\$38,977,000	7/1/23 to 7/1/28

Overview of Each Contract

- **A-1:**

- **Contract ID:** GRP00000005
- **Covered services:** Citywide armed and unarmed security guard services.
- **Amendment 1:** Request to increase NTE, with no change to duration.

- **Treeline:**

- **Contract ID:** GRP00000007
- **Covered services:** Citywide armed and unarmed security guard services.
- **Amendment 1:** Added roving guard services
- **Amendment 2:** Request to increase NTE, with no change to duration.

Purchasing Authority

- Both contracts were awarded pursuant to a Request for Proposals (“RFP”) issued on February 22, 2023 by OCA under Sourcing Event 0000007686, consisting of four (4) separately awarded Aggregates:
 - A1: Short-term engagements
 - A2: Short-term engagements (Micro LBE Set Asides)
 - B1: Longer-term engagements
 - B2: Longer-term engagements (Micro LBE Set Asides)

**A summary of all awards made under Aggregate is provided in Tables 1 and 2.*

- These two contracts were awarded under Aggregate B-1.

Contract Pricing Structure

- Each Contractor's pricing is based on a percentage mark up over the fully-loaded Prevailing Wage Rate for Security Guards.
- For 2024, the fully-loaded Prevailing Wage rate for security guard services ranges from \$20/HR to \$32.88/HR for straight time.
- The average percentage markup over the fully-loaded Prevailing Wage rates for each Contractor is:
 - A1 (Contract ID GRP0000005): 25%.
 - Treeline (Contract ID GRP0000007): 39%.

Usage and NTE Calculations

- In the twelve months since their commencement, City agencies have encumbered approximately:
 - \$6,500,000 in departmental contracts against Contract ID GRP0000005 with A1 (74% utilization, average monthly allocation of \$518K); and
 - \$7,250,000 in departmental contracts against GRP0000007 with Treeline (83% utilization, average monthly allocation of \$580K).

**A summary of all usage against these contracts is provided in Tables 3A and 3B.*

- To ensure adequate capacity through their contract end date of July 31, 2028, Contract ID GRP0000005 with A1 must be increased by \$26,017,000 and Contract ID GRP0000007 with Treeline must be increased by \$30,227,000.

** The detailed NTE calculations for each contract is provided in Table 4.*

Conclusion

- These contracts provide armed and unarmed security guard services for City-operated facilities, thereby ensuring the safety of its employees and the members of the public who visit those facilities each day.
- Approval of these resolutions will allow City departments to continue procuring these services in a streamlined and cost-efficient manner.

Reference materials

Table 1: Summary of All Term Contracts Awarded under Aggregates A1 and A2

Aggregate	Supplier Name	OCA TC Number	PS Contract ID	Contract Start Date	Contract End Date	Option to Extend	Initial NTE	Option to Add Additional Funds?
A-1	A1 Protective Services Inc	TC86003A	1000029355	9/1/2023	8/31/2026	Yes, through 2033	\$2,000,000	Yes, based on usage
A-1	Treeline Security Inc	TC86003B	1000029356	9/1/2023	8/31/2026	Yes, through 2033	\$2,000,000	Yes, based on usage
A-2	Treeline Security Inc	TC86003DMicro	1000029468	9/1/2023	8/31/2026	Yes, through 2033	\$1,000,000	No - Micro LBE Set Aside Capped at \$1MM
A-2	Black Bear Security Services Inc	TC86003EMicro	1000029469	9/1/2023	8/31/2026	Yes, through 2033	\$1,000,000	No - Micro LBE Set Aside Capped at \$1MM

Table 2: Summary of All Umbrella Contracts Awarded under Aggregates B1 and B2

Aggregate	Supplier Name	OCA TC Number	PS Contract ID	Contract Start Date	Contract End Date	Option to Extend	Initial NTE	Option to Add Additional Funds?
B-1	A1 Protective Services Inc	TC86005A	GRP0000005	8/1/2023	7/31/2028	No	\$8,750,000	Yes, based on usage
B-1	Treeline Security Inc	TC86005C	GRP0000007	8/1/2023	7/31/2028	No	\$8,750,000	Yes, based on usage
B-2	Treeline Security Inc	TC86005DMicro	GRP0000008	8/1/2023	7/31/2028	No	\$1,000,000	No - Micro LBE Set Aside Capped at \$1MM
B-2	Black Bear Security Services Inc	TC86005EMicro	GRP0000009	8/1/2023	7/31/2028	No	\$1,000,000	No - Micro LBE Set Aside Capped at \$1MM

Table 3a: Summary of Departmental Contracts Issued under Umbrella Contract ID GRP000005 with A1 as of 8/15/24

Dept	PS Contract ID	Start Date	End Date	Contract NTE	PO Encumbrances	Remaining NTE
PUC-WWE	1000032894	7/1/2024	6/30/2028	\$ 6,212,778.00	\$ 320,000.00	\$5,892,778.00
DRE	1000033864	9/1/2024	8/31/2025	\$ 254,326.80	\$ -	\$ 254,326.80
Total Allocated Funds				\$ 6,467,104.80	\$ 320,000.00	\$6,147,104.80

Table 3b: Summary of Departmental Contracts Issued under Umbrella Contract GRP000007 with Treeline as of 8/15/24

Dept	PS Contract ID	Start Date	End Date	Contract NTE	PO Encumbrances	Remaining NTE
DRE	1000031314	12/1/2023	12/31/2024	\$ 413,961.06	\$ 396,572.13	\$ 17,388.93
DRE	1000030428	10/1/2023	7/31/2026	\$ 3,650,000.00	\$ 2,619,953.30	\$ 1,030,046.70
JUV	1000030383	9/1/2023	8/31/2025	\$ 695,000.00	\$ 602,411.44	\$ 92,588.56
MYR	1000031039	9/1/2023	6/30/2026	\$ 1,387,872.88	\$ 397,754.32	\$ 990,118.56
PUC-CDD	1000031386	12/1/2023	12/1/2024	\$ 114,523.95	\$ 114,523.95	\$ -
PUC-CDD	1000031985	2/12/2024	12/1/2024	\$ 312,798.96	\$ 252,119.28	\$ 60,679.68
PUC-WST	1000030310	9/1/2023	6/30/2025	\$ 354,000.00	\$ 204,600.00	\$ 149,400.00
PUC-WST	1000030697	9/1/2023	12/31/2026	\$ 321,984.24	\$ 283,569.20	\$ 38,415.04
Total Allocated Funds				\$ 7,250,141.09	\$ 4,871,503.62	\$ 2,378,637.47

Table 4 Additional Funds Calculations for Contract ID GRP0000005 with A1 and GRP0000007 with Treeline as of 8/15/24

	GRP0000005 (A1)	GRP0000007 (Treeline)
Total Funds Allocated to Child Records as of Data Cutoff Date	\$ 6,467,105	\$ 7,250,141
Avg Monthly Allocation Since Contract Start Date	\$ 517,709	\$ 580,393
Number of Months to Contract End Date	\$ 48	\$ 48
Total Additional Funds Needed through Contract End Date	\$ 24,609,036	\$ 27,588,695
Less Unallocated Balance	\$ 2,282,895	\$ 1,499,859
Plus Contingency (15%)	\$ 3,691,355	\$ 4,138,304
Total Additional Funds Needed through Contract End Date	\$ 26,017,496	\$ 30,227,140
Total Additional Funds Needed through Contract End Date (rounded to nearest 1000)	\$ 26,017,000	\$ 30,227,000

Thank you