City and County of San Francisco
London N. Breed, Mayor

Office of the City Administrator
Carmen Chu, City Administrator
Sailaja Kurella, Director
Office of Contract Administration/Purchasing

DATE: April 29 2024

TO: Angela Calvillo, Clerk of the Board

FROM: Sailaja Kurella, Director of Office of Contract Administration (OCA) and Purchaser

SUBJECT: Resolution to approve Peoplesoft Contract ID 1000032407 (TC 86604) for Unarmed Security Guard Services for San Francisco Human Services Agency

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Enclosed please find the proposed Resolution from the Office of Contract Administration (OCA), on behalf of the San Francisco Human Services Agency (HSA), requesting that the Board of Supervisors authorize Contract 1000032407 with Good Guard Security, Inc ("Good Guard") for unarmed security guard services. The proposed contract will have an initial not to-exceed ("NTE") amount of $33,760,000 and an initial term of five (5) years, with the option to extend the term for two (2) additional years, for a total contract duration of seven (7) years. The anticipated contract start date is July 1, 2024.

The proposed contract was competitively procured pursuant to Administrative Code 21.2, through a Request for Proposals (RFP) issued by OCA on June 21, 2023 under Sourcing Event 0000008334, as a result of which Good Guard was deemed the highest ranked proposer. The proposed contract will replace HSA's current Contract 1000010873 with Allied Universal Security Services, Inc. ("Allied Universal").

Background

In 1976, the Electorate of the City and County of San Francisco passed Proposition J allowing City and County departments to contract with private companies for specific services that can be performed for a lower cost than similar work by City and County employees (Charter, Section 10.104.15). Each year, the Board of Supervisors authorizes HSA to contract for private security guard services for its facilities by Board Resolution ("Prop J approval"). The most recent Prop J approval for HSA was obtained under Board Resolution No. 369-23 passed on July 18, 2023. Based on its continuing annual Prop J approval from the Board of Supervisors, HSA currently utilizes private security guards for its thirteen (13) locations, as identified below in Table 1 below.

Table 1: HSA Offices and Locations for which Private Security Guards Services are Procured

Office Description	Location
Main HSA Building.	170 Otis Street
Service Center for accessing CalFresh, County Adult Assistance Programs (CAAP) and Medi-Cal.	1235 Mission Street
Service Center for accessing CalFresh, and Medi-Cal.	1440 Harrison Street
Mission Workforce Development Center	3120 Mission Street
Family and Children's Community Services Hub	3801 3rd Street
Visitacion Valley Job Center	1099 Sunnydale (DPH)
Child Care Center	100 Whitney Young Circle

Department of Disability and Adult Services (part of HSA) Benefits and Resources Hub.	2 Gough Street
DAS Divisions (IHSS, APS, Public Guardian, etc., HSA Admin Divisions	1650 Mission Street, Suite 101
HSA Program Integrity and Investigations Division	1650 Mission Street, 5th Floor
Department of Child Support Office	617 Mission Street
Training Annex for 3120 Mission	3127 Mission Street
Episcopal Community Services' sites	705 Natoma/165 8th Street

Request of Proposals (Sourcing Event 0000008334)

Private security guard services for the HSA locations identified above are currently provided by Allied Universal under Contract 1000010873. This contract, which commenced on July 1, 2018, will expire on June 30, 2024 and cannot be further extended. In anticipation of the expiration date of the existing contract with Allied Universal, OCA issued a Request for Proposals ("RFP") under Sourcing Event 0000008334. The RFP was issued in June 2023 and evaluated Proposers based on the criteria shown in Table 2 below.

Table 2: Sourcing Event 0000008334 Evaluation Criteria

Evaluation Phase	**Weight**
Minimum Qualifications Documentation	Pass/Fail
Price Proposal	50
Written Proposal	150
TOTAL	**200**

In response to Sourcing Event 0000008334, OCA received seventeen (17) proposals. Of these, two (2) firms withdrew their proposals and three (3) were deemed non-responsive. The remaining twelve (12) proposals were evaluated by a panel of four (4) City employees from HSA's Human Resources, Investigations, and Workforce Development divisions, as well as the Department of Homelessness and Supportive Housing. The evaluation process spanned approximately five weeks and, on March 5, 2024, OCA issued a Notice of Intent to Award deeming Good Guard as the highest ranked proposer for Sourcing Event 0000008334. A summary of each proposer's ranking is provided in Table 3 below.

Table 3: Sourcing Event 0000008334 Ranking of Responsive Proposers

Rank	**Proposer**
1	Good Guard Security, Inc.
2	ABA Protection Inc.
3	Straight Edge Solutions Agency
4	Triton Global Services, Inc.
5	Blackstone Consulting, Inc.
6	Allied Universal Security Services

7	Patrol Solutions LLC.
8	American Discount Security
9	American Guard Services, Inc.
10	Intercon Security Systems, Inc.
11	Blackbear Security Services
12	Security Services Northwest, Inc.

Proposed Contract 1000032407 Pricing Structure

The RFP evaluated proposers' pricing based on the lowest percentage mark up over the fully-loaded Prevailing Wage rate for Security Guards as determined by San Francisco Labor and Employment Code Article 102.11 (formerly, San Francisco Administrative Code Section 21C.11). The fully-loaded Prevailing Wage rate associated with security guard services is based on the employee's years of service with the employer and the employee's number of dependents. For 2024, the fully loaded Prevailing Wage rate for security guard services ranges from $20/hr to $32.88/hr for straight time, $30/hr to $42.88/hr for overtime, and $40/hr to $52.88/hr for double overtime.[1] Good Guard's percentage markup over the fully-loaded Prevailing Wage rate for Contract 1000032407 is provided in Table 4 below.

Table 4: Good Guard Security Inc.'s Percentage Markup over the Full-Loaded Prevailing Wage Rate for Contract 1000032407

Regularly Scheduled Weekdays	**30.84%**
Regularly Scheduled Weekends	**N/A**
Regularly Scheduled Holidays	**46.26%**
As-Needed Weekdays	**41.95%**
As-Needed Weekends	**46.85%**
As-Needed Holidays	**52.43%**

Proposed Contract 1000032407 NTE Calculations

Good Guard is expected to provide approximately 138,710 hours of security guard services per year for HSA under Contract 1000032407. Although the hourly rate charged to City will vary based on the fully-loaded Prevailing Wage rate payable to any single employee based on their years of service and number of dependents, OCA has estimated the hourly rates charged to City under the new contract will not vary significantly from the hourly rates charged to HSA by its current contractor, Allied Universal. As such, the proposed NTE amount of $33,760,000 for Contract 1000032407 with Good Guard is based on calculations for the maximum term of seven (7) years using Purchase Order encumbrances data associated with HSA's existing Contract 1000010873 with Allied Universal. Consistent with the terms of the RFP, the NTE for Contract 1000032407 with Good Guard can be adjusted should actual spend surpass estimated spend. Table 5 shows how the NTE for Contract ID

[1] Current Prevailing Wage rates for security guards can be found at https://www.sf.gov/sites/default/files/2024-04/21C.11%20Security%20Employee%20Chart.pdf.

1000032407 with Good Guard was calculated.

Table 5: Estimated NTE Calculations for Peoplesoft Contract 1000032407 with Good Guard Security Services Inc.

Estimated NTE for Contract 1000032407 with Good Guard Security Inc based on PO Encumbrance Data from HSA's Existing Contract 1000010873 with Allied Universal	
Report Run Date	4/23/2024
Start Date for Existing Contract 1000010873 with Allied Universal	7/1/2018
Total Months between Existing Contract's Start Date and Report Run Date	70
Total Encumbered Funds between Existing Contract's Start Date and Report Run Date	$24,390,196
Average Monthly Encumbered Funds for Existing Contract 1000010873	$349,482
Duration of New Contract 1000032407 with Good Guard in Months	84
Projected NTE of New Contract 1000032407 with Good Guard (Avg Monthly Encumbered Funds * Contract Duration in Months)	$29,356,467
Projected NTE of New Contract 1000032407 with Good Guard with 15% Contingency	$33,759,937
Projected NTE of New Contract 1000032407 with Good Guard (rounded to nearest thousand)	**$33,760,000**

Proposed Contract 1000032407 Funding

HSA has budgeted $34,300,000 for Contract ID 1000032407 with Good Guard. The funding sources are as follows:

- San Francisco County general fund: 75%
- State of California general fund: 12%
- Federal programs administered by the Department of Health and Human Services and Department of Agriculture Food and Nutrition Service, including Medical Assistance Program (MAP), Temporary Assistance to Needy Families, State Administrative Matching Grants for Food Stamp Program, Foster Care - Title IV-E, and Adoption Assistance Program - Title IV-E (13%)

Recommendation

HSA's mission is to deliver essential services that support and protect people, families, and communities in San Francisco. HSA partners with neighborhood organizations and advocates for public policies to improve well-being and economic opportunity for all San Franciscans. Contract 1000032407 with Good Guard will provide unarmed security guard services for all HSA sites, thereby ensuring the safety of its employees and the members of the public who visit those locations each day. As such, this contract is critical to HSA's operations and continued ability to perform its mission-critical services. A timely approval of this resolution will also allow HSA to provide uninterrupted security guard services at each of its location as those services are transitioned from the current contractor Allied Universal to Good Guard.

If you have any questions or require additional information, please contact Annyse Acevedo on my team at (628) 652-1648.

Enclosures:

1. Proposed Contract 1000032407 with Good Guard Security Inc.
2. Proposed Resolution for Contract 1000032407
3. S.F. Ethics Commission Form 126f2, Notification of Submission of Proposal
4. S.F. Ethics Commission Form 126f4, Notification of Contract Approval
5. Approved Resolution No. 369-23 authorizing HSA to contract with private companies for security guard services