San Francisco Office of the City Administrator
City Administrator Carmen Chu

Unarmed Security Guard Services for Human Services Agency (TC86604)

File 24-24073

Office of Contract Administration

Board of Supervisors' Budget and Finance Committee

June 5, 2024

Contract Summary

- **PeopleSoft Contract ID: 1000032407**
- **Covered services:** Unarmed security guard services for the San Francisco Human Services Agency (HSA).
- **Awarded contractor:** Good Guard Security Inc. (“Good Guard”), selected through a Request for Proposals (“RFP”, Sourcing Event ID 0000008334) issued by the Office of Contract Administration (OCA) in June 2023.
- **Initial contract not-to-exceed amount and duration**: $33,760,000, commencing on July 1, 2024 and ending on June 30, 2029, with the option to extend the term for two additional years through June 30, 2031.

SF Human Services Agency (HSA)

- HSA delivers **essential services that support individuals and families in San Francisco,** including:
  - **CalFresh** food stamps, meals, and groceries
  - **Financial support** for individuals, families, renters
  - **Insurance programs** for the elderly and adults with disabilities
  - **JobsNOW!** job placement
  - **Free/low-cost child care** through partner agencies
  - Short-term and long-term **housing assistance**
  - Public benefits and legal **assistance for immigrants**
  - **Child welfare** and family support services
  - **Foster care, adoption, and conservatorship**

Prop J Authorization

- Each year, the Board of Supervisors authorizes HSA to contract for private security guard services for its various facilities pursuant to Charter, Section 10.104-15 (“Prop J”).
- HSA’s **most recent Prop J approval 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 13 locations**. (*See Table 1 for a list of all HSA locations*)

Sourcing Event 0000008334

- HSA **currently procures private security guard services from Allied Universal under Contract 1000010873**.
- Contract 1000010873 with Allied Universal commenced on July 1, 2018 and **will expire on June 30, 2024**. This contract cannot be further extended.
- **In June 2023, OCA issued Sourcing Event 0000008334** for the purpose of awarding a new contract for procuring security guard services for HSA.

Sourcing Event 0000008334 Results

- In response to Sourcing Event 0000008334, **OCA received 17 proposals**. Two firms withdrew their proposals and three were deemed non-responsive.
- The remaining 12 proposals were **evaluated by a panel of four City employees** from HSA's Human Resources, Investigations, and Workforce Development divisions, as well as the Department of Homelessness and Supportive Housing.
- On March 5, 2024, OCA issued a Notice of Intent to Award deeming **Good Guard as the highest ranked proposer** for Sourcing Event 0000008334. (*See Table 2 for a summary of each proposer's ranking*)

Proposed Contract Pricing Structure

- The RFP evaluated proposers' **pricing based on the *lowest percentage mark up over the fully-loaded Prevailing Wage Rate*** *for Security Guards* published under SF Labor and Employment Code Article 102.11.
- 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.
- **Good Guard's percentage mark up over the fully-loaded Prevailing Wage Rate for Security Guards ranges from 30.84% to 52.43%.** *(See Table 3 for each markup based on shift type)*

Contract Budget and Funding

- HSA has **budgeted $34,300,000** for Contract ID 1000032407 with Good Guard.
- HSA's budgeted amount will draw from the following funding sources:
  - **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: **13%**

Proposed NTE Calculations

- Between July 1, 2018 and June 30, 2024, HSA **encumbered an average of $349,482 per year** for private security guard services.
- Based on this annual amount, **OCA estimates that the proposed 7 year contract with Good Guard will have a not to exceed amount (“NTE”) of $33,760,000**.
- As per the solicitation and contract terms, **this amount can be adjusted should actual spend not align with the estimated NTE**.

Conclusion

- HSA delivers essential services that support and protect people, families, and communities in San Francisco.
- 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.
- OCA respectfully requests that the Board approve this contract to allow HSA to provide uninterrupted security guard services at each of its location.

Reference materials

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

Table 2: 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.

Table 3: Good Guard Security Inc.'s Percentage Markup over the Fully-Loaded Prevailing Wage Rate for Contract 1000032407

Shift Type	Percentage Markup over Fully-Loaded Prevailing Wage Rate
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%

Table 4: Estimated NTE Calculations for Peoplesoft Contract 1000032407 with Good Guard Security Services Inc

Calculations 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**

Table 5: Contractor Performance Metrics

Performance Failure	Allowable Negative Performance Points Threshold	Credit to City When a Threshold is Exceeded
Failure to provide required levels of personnel and hours of coverage for a shift.	1 per annual PO for all sites	$100
Failure to reassign, remove or replace a guard within 5 calendar days of a request by the City.	1 per annual PO for all sites	$50 per day
Failure to report to duty with all uniform elements required.	1 per annual PO for all sites	$25
Failure of a Guard to ensure coverage requirements are met for assigned site and duration.	1 per annual PO for all sites	$50
Failure to provide services as instructed by Facility Manager or his/her designee.	1 per annual PO for all sites	$50
Failure of a Guard to respond to a situation while on duty.	1 per annual PO for all sites	$50
Failure of a Guard to appropriately respond to a situation while on duty.	1 per annual PO for all sites	$50
Inappropriate language used while on duty.	1 per annual PO for all sites	$50
Failure to adhere to professional and organizational codes of conduct.	1 per annual PO for all sites	$300
Failure to submit an Incident Report or Daily Report within the time stated in the Agreement.	1 per annual PO for all sites	$100 per day
Failure to provide proof of drug and alcohol testing, criminal background check, and/or training to City within the timeline request by the City.	3 per annual PO for all sites	$100 per day
Failure to address Guard performance deficiencies.	1 per annual PO for all sites	$100 per day