

Security Guard Contract Vendor Selection Process and Recommendation

Finance, Audit and Accountability Committee

August 15, 2006

Purpose

- Brief the committee on the solicitation process for a new citywide security guard service contract
- Provide evaluation results of the Best Value Bid
- Give recommendation for award of the new contract

Background

- This security services contract covers a variety of locations throughout the City
- The bid was divided into four groups, to encourage smaller firms to compete, and to provide the maximum opportunity for all firms
- The specifications and pricing are for estimated needs of armed and unarmed security personnel, with and without vehicles
- Firms must provide security within 24hrs of request, and in emergency situations must provide guards within 4 hours

Background

- Vendors must provide all training, supervision, and must ensure staff is qualified for duty
- This contract is open to all departments including those with locations not specifically listed in the Request for Bid
- The City has five different contracts for Security Services for various locations as well

Background

- This contract will cover:
 - Group 1 – various city locations including
 - WIC Clinics
 - Recreation Centers
 - Golf Courses
 - Tennis Centers
 - Dallas Zoo
 - Fire & Rescue Dept (Dolphin Road)
 - Street Services Center
 - Courts Building (Harwood)
 - Thanksgiving Square
 - South Dallas Cultural Center
 - IROC Center
 - Court and Detention Services
 - Southeast Service Center
 - Oak Cliff Municipal Building
 - West Dallas Multipurpose Center
 - Include 24hr and shift armed and unarmed guards, vehicles if requested at location

Background

- Group 2 – Day Resource Center
 - Needs include armed and unarmed up to 24hr coverage
- Group 3 – Meyerson Symphony Center
 - Needs include 24hr armed guards, supervisors, and managers
 - Required to permanently place guards to develop familiarity with center staff
- Group 4 – Love Field
 - 24hr armed guards and vehicles
 - Required to leave no post unguarded at any time

Background

- The current 36 month contract for Citywide security guard services was awarded in October of 2003
- The current contract was procured through the Best Value Bid process
- Other contracts exist for DWU facilities, Library facilities, Convention Center and Fair Park
 - Some security service contracts continue to be bid as low-bid contracts due to the types of services required

Why Best Value?

- Some security services are a commodity suitable for this alternative method of evaluating competitive bids
 - The process sets itemized criteria, in addition to price, to be evaluated, and uses all of the criteria together to determine which vendor has the best combination of quality and price
- Departments requested it because of concerns and past issues with low bidders
 - Main issues are constant changing of guards, lack of supervision leading to guards not performing required duties
- Vendors suggested and supported the City's use of this method
- Purchasing determined that the Best Value method was appropriate for this contract due to the high level of interaction with citizens at the locations covered

Evaluation Criteria

- The criteria was developed to address past service issues and concerns
- The evaluation Criteria and weighting was published in the RFB:
 - Cost 30 pts
 - Experience & References 30 pts
 - Quality Control & Supervision 25 pts
 - Selection & Training Process 15 pts
- **All** of these factors were determined essential to establish which bidder offers the best value to the City

Evaluation Committee

- Evaluation committee consisted of:
 - Assistant Director, EHS
 - Airport Operations Manager, AVI
 - Business Manager, PKR
 - Supervisor in Maintenance Division, DFRD
 - Chief Deputy Marshall, CTS
- Evaluation committee reflected ethnic and gender diversity
- All members have had experience with security service contracts and guards at their respective facilities and/or departments

Timeline

- The RFB was issued November 17, 2005
- Bids were received February 24, 2006
- Bids were distributed to Committee Members March 7, 2006
- Evaluation process was completed April 14, 2006
- Recommendation first presented to Council June 12, 2006
- Deferred by Council
- On June 28, 2006 Council requested a briefing to FAA Committee in August
- Scheduled Council award August 23, 2006

Bids

- The City received fourteen bids (1 bidder non-responsive, 13 bids considered)
 - Initial Security
 - Deco Security
 - Ruiz Protective Service
 - Securitas
 - Ameritex
 - Weiser Security
 - Pearson-International Ram
 - D & L Entertainment
 - Texas Industrial Security
 - Priority Asset Protection
 - FrontLine Security
 - National Defense
 - Dallas Professional

Evaluation Process

- Evaluators were provided copies of all bids and the specifications
- Evaluators were provided copies of the criteria and individual evaluation sheets
- Evaluators were provided identical copies of comments from references gathered by the buyer for this project
- Evaluators were given general instructions and advised not to contact bidders directly
- References obtained from randomly selected clients

Evaluation Process

- Evaluators had no personal ties or business relationships outside of the City of Dallas with any bidder
- Evaluators considered Experience & References, Selection & Training, and Quality Control & Supervision but not Cost
- Evaluators conducted their evaluation as individuals and did not meet as a group
- Evaluation worksheets were returned directly to buyer

Cost

- Cost was calculated by the buyer for all bids and all groups, and was added to the other factors scored by the evaluators
- Points for Cost were calculated according to published cost formula
- Low bidder received maximum points
- Other bidders received pro-rated points based on the variance from the low bidder

Cost Formula

- Low bidder's price divided by individual bidder's price, times the maximum points
- Example: Lowest bidder is \$100,000. Bidder being calculated bid \$120,000. Thirty points are maximum.
 - Lowest bidder gets 30 points
 - Second bidder gets 25 points ($100/120 \times 30$)
- Formula and example were included in the RFB package for all bidders

Cost

- Prices on bids were grouped very tightly
- From the lowest bid to the next-to-highest the 12 bids had less than a 20% spread in price
- The difference in cost between Recommended vendor and lowest bidder is Each group is less than 10%
- Buyer added points for Cost to all evaluation sheets to determine final scores

Cost Evaluation

Group 1 (Citywide)		
VENDOR	PRICE BID	PRICE POINTS
RUIZ	\$9,993,375	30.00
TEXAS IND	\$10,375,090	28.90
WEISER	\$10,614,659	28.24
INITIAL	\$10,728,823	27.94
D & L	\$10,992,180	27.27
SECURITAS	\$11,060,008	27.11
AMERITEX	\$11,263,670	26.62
DECO	\$11,312,394	26.50
NATL. DEFENSE	\$11,647,004	25.74
PRIORITY	\$11,740,750	25.54
PEARSON - INTL RAM	\$11,740,813	25.53
DALLAS PRO	\$12,220,880	24.53
FRONTLINE	\$14,401,624	20.82

Group 2 (Day Resource Center)		
VENDOR	PRICE BID	PRICE POINTS
NATL. DEFENSE	\$1,373,532	30.00
TEXAS IND	\$1,375,396	29.96
INITIAL	\$1,434,102	28.73
RUIZ	\$1,443,420	28.55
SECURITAS	\$1,466,716	28.09
AMERITEX	\$1,470,909	28.01
WEISER	\$1,492,808	27.60
D & L	\$1,497,933	27.51
DECO	\$1,517,036	27.16
PEARSON - INTL RAM	\$1,568,287	26.27
DALLAS PRO	\$1,665,664	24.74
FRONTLINE	\$1,863,680	22.11
PRIORITY	no bid	0.00

Cost Evaluation

Group 3 (Meyerson)		
VENDOR	PRICE BID	PRICE POINTS
NATL. DEFENSE	\$2,520,093	30.00
TEXAS IND	\$2,665,387	28.36
RUIZ	\$2,739,920	27.59
WEISER	\$2,754,663	27.45
INITIAL	\$2,780,598	27.19
SECURITAS	\$2,797,868	27.02
AMERITEX	\$2,835,422	26.66
DECO	\$2,879,799	26.25
PEARSON - INTL RAM	\$2,984,359	25.33
D & L	\$2,995,065	25.24
DALLAS PRO	\$3,319,550	22.78
FRONTLINE	\$3,336,736	22.66
PRIORITY	no bid	0.00

Group 4 (Love Field)		
VENDOR	PRICE BID	PRICE POINTS
RUIZ	\$2,182,217	30.00
TEXAS IND	\$2,214,517	29.56
NATL. DEFENSE	\$2,227,760	29.39
WEISER	\$2,315,107	28.28
D & L	\$2,317,960	28.24
INITIAL	\$2,337,720	28.00
AMERITEX	\$2,431,387	26.93
SECURITAS	\$2,444,360	26.78
DECO	\$2,444,795	26.78
PEARSON - INTL RAM	\$2,535,208	25.82
DALLAS PRO	\$2,650,700	24.70
FRONTLINE	\$2,987,040	21.92
PRIORITY	no bid	0.00

Experience and References

- Initial's experience and feedback from clients was judged by the evaluation committee as superior to all other bidders except one
 - Has excellent rate of being re-awarded contracts
 - Should be noted that all vendors received positive references from the clients contacted, all references reported minor issues reported but good customer service and references overall
- Initial has performed satisfactorily on the current and past City contracts

Experience and References

- Initial was founded in 1928 as Stanley Smith Security
- Initial Security operates in more than 45 US branch offices and with a network of 8,000 security officers
- Initial's US headquarters are in San Antonio, Texas
- Initial has experience in every type of facility included in the RFB
- Initial Security is the U.S. security arm of Rentokil Initial
- US manned guarding operations are in the process of being sold to Allied Barton Security Services, the largest American-owned and managed security services firm.

Experience and References

Average Score
30 Max points

GROUP 1 (Citywide)		GROUP 2 (Day Resource Center)	
DECO	27.2	INITIAL	29
INITIAL	27	DECO	27.2
AMERITEX	26.8	SECURITAS	26.8
SECURITAS	26.8	AMERITEX	26.8
RUIZ	25.8	RUIZ	25.8
PEARSON - INTL RAM	25	PEARSON - INTL RAM	25
D & L	24.8	D & L	24.8
WEISER	23.8	WEISER	23.8
TEXAS IND	23.6	TEXAS IND	23.6
PRIORITY	18.4	FRONTLINE	10.6
FRONTLINE	10.6	DALLAS PRO	10
DALLAS PRO	10	NATL. DEFENSE	9
NATL. DEFENSE	9	PRIORITY	0

GROUP 3 (Meyerson)		GROUP 4 (Love field)	
INITIAL	29	INITIAL	28.6
DECO	27.2	RUIZ	26.8
SECURITAS	26.8	SECURITAS	26.8
AMERITEX	26.8	AMERITEX	26.8
RUIZ	25.8	DECO	26.8
PEARSON - INTL RAM	25	PEARSON - INTL RAM	25
D & L	24.8	D & L	24.2
WEISER	23.8	TEXAS IND	23.4
TEXAS IND	23.6	WEISER	23.4
FRONTLINE	10.6	FRONTLINE	10.2
DALLAS PRO	10	DALLAS PRO	9.8
NATL. DEFENSE	9	NATL. DEFENSE	8.6
PRIORITY	0	PRIORITY	0

Guard Selection and Training

- Initial's screening procedures include criminal background, driving record and reference checks; psychological profiles; employment history evaluation; and literacy and communication skills evaluation
- All employees must meet a set standard for personal appearance and grooming, physical condition and public relations skills

Guard Selection and Training

- Initial offers a comprehensive training program through its online training academy's several training modules
- Initial also offers post-specific training at the customer's site that includes training on duty requirements, emergency procedures, safety and fire-prevention equipment and reporting requirements
- In contrast, the protesting vendor, Ruiz Protective Service, does not have a formal training program, and specializes in x-ray machine/weapon screening training

Guard Selection and Training

Average Score
15 Max points

GROUP 1 (Citywide)		GROUP 2 (Day Resource Center)	
INITIAL	14.2	INITIAL	14.2
DECO	13.8	DECO	13.8
WEISER	13.4	WEISER	13.4
AMERITEX	13.2	AMERITEX	13.2
SECURITAS	12.8	SECURITAS	12.8
PEARSON - INTL RAM	12.6	PEARSON - INTL RAM	12.6
RUIZ	12.6	RUIZ	12.6
D & L	11.2	D & L	11.2
FRONTLINE	9.4	FRONTLINE	9.4
TEXAS IND	8.6	TEXAS IND	8.6
PRIORITY	8.4	NATL. DEFENSE	4
NATL. DEFENSE	4	DALLAS PRO	3.4
DALLAS PRO	3.4	PRIORITY	0

GROUP 3 (Meyerson)		GROUP 4 (Love field)	
DECO	13.8	INITIAL	14.2
WEISER	13.4	DECO	13.8
INITIAL	13.2	WEISER	13.4
AMERITEX	13.2	AMERITEX	13.2
SECURITAS	12.8	SECURITAS	12.8
RUIZ	12.6	RUIZ	12.6
PEARSON - INTL RAM	12.6	PEARSON - INTL RAM	12.6
D & L	11.2	D & L	10.8
FRONTLINE	9.4	FRONTLINE	9.4
TEXAS IND	8.6	TEXAS IND	8.6
NATL. DEFENSE	4	NATL. DEFENSE	4
DALLAS PRO	3.4	DALLAS PRO	3.4
PRIORITY	0	PRIORITY	0

Quality Control and Supervision

- Initial Security field supervisors conduct unannounced site inspections of every customer facility at least once per week to inspect, train and evaluate security officers and to ensure contract compliance
- Initial has on-site supervisors that are stationed at many of its posts to oversee officers, ensure that post orders are followed, confirm the accuracy and timeliness of incident and shift-change reports, and serve as on-site client liaisons
- Initial conducts quality assurance e-surveys as an active measurement of external customer satisfaction, by eliciting feedback on many service factors

Quality Control and Supervision

Average Score
25 Max points

GROUP 1 (Citywide)		GROUP 2 (Day Resource Center)	
DECO	24	DECO	24
SECURITAS	22.8	SECURITAS	22.8
INITIAL	22.4	INITIAL	22.4
PEARSON - INTL RAM	21.8	PEARSON - INTL RAM	21.8
AMERITEX	21.8	AMERITEX	21.8
RUIZ	21.4	RUIZ	21.4
WEISER	20.4	WEISER	20.4
D & L	18.4	D & L	18.4
TEXAS IND	13.8	TEXAS IND	13.8
FRONTLINE	11.8	FRONTLINE	11.8
PRIORITY	11.8	DALLAS PRO	5.8
DALLAS PRO	5.8	NATL. DEFENSE	5
NATL. DEFENSE	5	PRIORITY	0

GROUP 3 (Meyerson)		GROUP 4 (Love field)	
INITIAL	24.4	DECO	24
DECO	24	SECURITAS	22.8
SECURITAS	22.8	INITIAL	22.4
AMERITEX	21.8	AMERITEX	21.8
PEARSON - INTL RAM	21.8	PEARSON - INTL RAM	21.8
RUIZ	21.4	RUIZ	21.4
WEISER	20.4	WEISER	20.4
D & L	18.4	D & L	18.4
TEXAS IND	13.8	TEXAS IND	13.8
FRONTLINE	11.8	FRONTLINE	11.8
DALLAS PRO	5.8	DALLAS PRO	5.8
NATL. DEFENSE	5	NATL. DEFENSE	5
PRIORITY	0	PRIORITY	0

Overall Average Scores

- Highest evaluated vendors Group 1 (Citywide):
 - Initial 91.54
 - Deco 91.50
 - Ruiz 89.80
 - Securitas 89.51
 - Ameritex 88.42
- Highest evaluated vendors Group 2 (Day Resource Ctr):
 - Initial 94.33
 - Deco 92.16
 - Securitas 90.49
 - Ameritex 89.81
 - Ruiz 88.35

Overall Average Scores

- Highest evaluated vendors Group 3 (Meyerson):
 - Initial 93.79
 - Deco 91.25
 - Securitas 89.42
 - Ameritex 88.46
 - Ruiz 87.39
- Highest evaluated vendors Group 4 (Love Field):
 - Initial 93.20
 - Deco 91.38
 - Ruiz 90.80
 - Securitas 89.18
 - Ameritex 88.73

Good Faith Effort Plan

- Initial has fully complied with the Good Faith Effort goals and has two M/WBE vendors who will provide service for over 24% participation:
 - VRM Security
 - Priority Asset Protection

Conclusions

- Security services at the locations in this contract must meet all of the specified criteria in order to result in safe, dependable, and effective service
- The Best Value process was fair and unbiased
- The evaluation committee represented a knowledgeable cross-section of City departments representatives who will be using the service contract
- The vendor protesting this award, Ruiz Protective Services, was ranked no higher than 3rd in any of the selection criteria except price and no higher than 3rd in the overall score for any group
- Business Development and Procurement Services recommends award to Initial Security

Recommendation

- Place approval of a four-year contract with Initial Security on the City Council agenda for approval August 23, 2006