

<b>REQUEST FOR COUNCIL ACTION</b> CITY OF SAN DIEGO	CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY) 3000005696
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TO: CITY COUNCIL	FROM (ORIGINATING DEPARTMENT): Real Estate Assets	DATE: 08/24/2012
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SUBJECT: Awards to Elite Show Services and StaffPro Inc. for the provision of Security Services at Qualcomm Stadium.

PRIMARY CONTACT (NAME, PHONE): Roy Nail,619-641-3101	SECONDARY CONTACT (NAME, PHONE): Mike McSweeney, 619-641-3130
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**COMPLETE FOR ACCOUNTING PURPOSES**

FUND	200115				
DEPT / FUNCTIONAL AREA					
ORG / COST CENTER	1615110011				
OBJECT / GENERAL LEDGER ACCT	512075				
JOB / WBS OR INTERNAL ORDER					
C.I.P./CAPITAL PROJECT No.					
AMOUNT	\$351,000.00	0.00	0.00	0.00	0.00

FUND					
DEPT / FUNCTIONAL AREA					
ORG / COST CENTER					
OBJECT / GENERAL LEDGER ACCT					
JOB / WBS OR INTERNAL ORDER					
C.I.P./CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00

**COST SUMMARY (IF APPLICABLE):**  
Year 1 FY 2013 estimated cost = \$351,000  
Year 2 FY 2014 estimated cost = \$364,000  
Year 3 FY 2015 estimated cost = \$379,000  
Total estimated contract cost over 3 years is \$1,094,000

**Options:**  
Year 4 FY 2016 estimated cost = \$395,000  
Year 5 FY 2017 estimated cost = \$411,000

If the two (2) one (1) year options to re-new the contract are exercised, assuming a 4% annual CPI, the total cost for a five (5) year contract is estimated at \$1,900,000

**ROUTING AND APPROVALS**

<b>CONTRIBUTORS/REVIEWERS:</b>	<b>APPROVING AUTHORITY</b>	<b>APPROVAL SIGNATURE</b>	<b>DATE SIGNED</b>
Environmental	ORIG DEPT.	Barwick, James	9/28/2012

Analysis				
Equal Opportunity Contracting		CFO		
Financial Management		DEPUTY CHIEF		
Comptroller		COO		
Liaison Office		CITY ATTORNEY		
		COUNCIL PRESIDENTS OFFICE		
PREPARATION OF:	<input checked="" type="checkbox"/> RESOLUTIONS	<input type="checkbox"/> ORDINANCE(S)	<input type="checkbox"/> AGREEMENT(S)	<input type="checkbox"/> DEED(S)
<p>1. Authorize the Mayor or his representative to enter into a contract with Elite Show Services for the provision of 24x7 security services at Qualcomm Stadium. The security services contract will be a phase-funded contract estimated not to exceed \$1,900,000; \$351,000 in FY13, \$364,000 in FY14, and \$379,000 in FY15, with options to renew, at the sole discretion of the City, for two additional one-year periods for a total cost of \$806,000 (\$395,000 in FY16 and \$411,000 in FY 17).</p> <p>2. Authorize the Mayor or his representative to award the right to contract with Stadium tenants, Event Promoters and the City of San Diego, at rates no higher than the maximum rates bid, to StaffPro Inc., for the provision of Event Security Services for non-Chargers events held in the Building at Qualcomm Stadium. The rights granted will be for three (3) years with two (2) one (1) year options to renew, at the sole discretion of the City. The maximum hourly rates bid, subject to potential living Wage Ordinance increases, that can be charged to Stadium tenants for any tenant-sponsored event, to the City for any City sponsored events, and to any Event Promoter for Event Security Services, cannot exceed \$16.97 for Security Guards, \$16.97 for Ushers, \$16.97 for Ticket Takers, \$18.98 for Event Supervisors, and \$23.00 for Security Operations/Risk Management, for each year of the initial three (3) year term of the agreement with StaffPro Inc.</p> <p>3. Authorizing the Chief Financial Officer to expend up to \$1,900,000, from Fund #200115, Qualcomm Stadium Fund; \$351,000 in FY13, \$364,000 in FY14, and \$379,000 in FY15, contingent upon approval of the FY13, FY14 and FY15 Appropriation Ordinances, and contingent upon the City Comptroller certifying that the funds necessary for expenditure are or will be available, for the purpose of entering into a three year contract for 24X7 security services at Qualcomm Stadium with options to renew for two additional one year periods with Elite Show Services Inc; the FY16 estimated cost is \$395,000 and the FY17 estimated cost is \$411,000.</p>				
STAFF RECOMMENDATIONS:				
Approve the Resolution				
SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION)				
COUNCIL DISTRICT(S):	6			
COMMUNITY AREA(S):	Mission Valley			
ENVIRONMENTAL IMPACT:	<p>This activity is not a Project as defined in CEQA Guidelines Section 15378(b) (2) and Section 15378(b) (5). Based on the definitions above, the activity, which provides funding for interim security services at one City facility, does not meet the definition of a project and would therefore, not be subject to CEQA pursuant to Section 15060(c) (3) of the State CEQA Guidelines</p>			

CITY CLERK  
INSTRUCTIONS:

DO NOT RECORD – please deliver documents to Real Estate Assets  
Department, Attn: Roy Nail, MS 51-A for further handling.

**COUNCIL ACTION**  
**EXECUTIVE SUMMARY SHEET**  
CITY OF SAN DIEGO

DATE: 08/24/2012

ORIGINATING DEPARTMENT: Real Estate Assets

SUBJECT: Awards to Elite Show Services and StaffPro Inc. for the provision of Security Services at Qualcomm Stadium.

COUNCIL DISTRICT(S): 6

CONTACT/PHONE NUMBER: Roy Nail/619-641-3101

**DESCRIPTIVE SUMMARY OF ITEM:**

This action is to authorize the execution of a security services contract with Elite Show Services to provide 24x7 security services at Qualcomm Stadium. The initial term of the contract with Elite Show Services shall be three (3) years, with two (2) one year options to renew, which will be at the sole discretion of the City.

This action is also to authorize the award of the right to contract with Stadium tenants, Event Promoters and the City of San Diego, at rates no higher than the maximum rates bid, to StaffPro Inc., for the provision of Event Security Services for non-Chargers events held in the building at Qualcomm Stadium. The rights awarded to StaffPro Inc shall have an initial term of three (3) years, with two (2) one year options to renew, which will be at the sole discretion of the City. The rights awarded to StaffPro Inc. will include the setting of maximum hourly rates that StaffPro Inc. will be allowed to charge for Event Security Services provided to Stadium tenants for any tenant-sponsored event, to the City for any City-sponsored events, and to Event Promoters for any Event Promoter-sponsored events, for events held in the building, pursuant to Request for Proposal (RFP) number 10024458-13-V.

**STAFF RECOMMENDATION:**

Approve the Resolution

**EXECUTIVE SUMMARY OF ITEM BACKGROUND:**

The City issued a Request for Proposal (RFP) for security services in 2010 and Elite Show Services was selected to provide 24x7 and non-Charger event security at Qualcomm Stadium. The RFP issued in 2010 required the award for security services be awarded to one (1) proposer. The contract award to Elite Show services was protested and as a result a new RFP was issued and closed on May 17, 2012. The re-issued RFP allowed all proposers to submit proposals on one or both of the two separate categories of services sought by the City. The categories of services sought by the City were: (i) 24x7 security services and (ii) Event Security Services for non-Chargers events held in the building. The re-issued RFP allowed the City to award the 24x7 security services program and the provision of Event Security Services for non-Chargers events held in the building to one (1) proposer or to divide the award between two (2) separate proposers.

The re-issued RFP is RFP No. 10024458-13-V. The re-issued RFP generated multiple responses. Four (4) firms met all of the Proposer Pre-Qualification requirements for 24x7 guard services as outlined in section C 1 (a-c) of the re-issued RFP, and three (3) firms met all of the Proposer Pre-

Qualifications requirements for building Event Security Services as outlined in section C 2 (a-d) of the re-issued RFP.

The selection committee for the re-issued RFP was comprised of representatives of the Office of Homeland Security, San Diego Police Department and Risk Management/City of San Diego.

**24x7 Security Services:** The selection committee determined that Elite Show Services is the winning proposer for the 24x7 security services program. Elite Show Services, Inc. had the most competitive pricing for 24x7 security services of the four (4) qualified firms that responded to the RFP. Elite Show Services currently provides 24x7 and event security at Qualcomm Stadium under an Interim Agreement which expires upon approval of a the new security agreements contemplated under the re-issued RFP. The hourly rate of \$19.97 proposed by Elite in its RFP response maintains the \$13,800 monthly reduction in 24x7 security costs approved on July 20, 2012, by the City Council. Elite Show Services' experience includes being the incumbent provider of 24x7 and event security at Qualcomm Stadium, and Elite is currently providing 24x7 security services at Petco Park.

**Event Security Services:** The selection committee further determined that Staff Pro Inc is the winning proposer for Event Security Services for non-Chargers events held in the building. The award for Event Security Services will include providing security services in building events for SDSU, the Holiday Bowl, the Poinsettia Bowl, soccer events, Monster Jam, and Super Cross. StaffPro's experience includes being a provider of event security services for the Seattle Seahawks, Oakland Athletics and at the Tacoma Dome, as well as other venues.

To generate competitive hourly rates for the provision of security services for non-Chargers, in building events, the re-issued RFP requested interested security providers bid maximum hourly rates for event security staff. All proposers bid to the same price sheet for hourly rates at estimated staffing levels for security guards, ushers, ticket takers, event supervisors and security operations/risk managers. The not-to exceed hourly rates proposed by Staff Pro ranges from \$16.97 to \$23.00 per hour for Security Guards, Ushers, Ticket Takers and Supervisors. The hourly rates proposed by Staff Pro are very competitive.

Staff Pro has agreed to provide security services to Stadium tenants, the City, and other Event Promoters, for non-Chargers, in building events, at hourly rates that do not exceed the following hourly rates:

Security Guards:	\$16.97/HR
Ushers:	\$16.97/HR
Ticket Takers:	\$16.97/HR
Event Supervisors:	\$18.98/HR
Security Operations/Risk Management:	\$23.00/HR

Staff Pro will provide the Event Security Services under separate contracts between Staff Pro Inc and the individual Stadium tenant for any tenant-sponsored event(s); between Staff Pro Inc and the City for any City-sponsored event(s); and between Staff Pro Inc and any event Promoter for any Promoter-sponsored event(s).

Both Elite Show Services and Staff Pro have signed the Living Wage Ordinance Certificate agreeing to comport to all terms and conditions of the Living Wage Ordinance.

FISCAL CONSIDERATIONS: Assuming a 4% CPI Living Wage increase per year, the estimated cost for the initial three (3) years of the 24x7 security contract is \$1,094,000, determined as follows:

Year 1 FY 2013 estimated cost = \$351,000

Year 2 FY 2014 estimated cost = \$364,000

Year 3 FY 2015 estimated cost = \$379,000

Option to Renew Years:

Year 4 FY 2016 estimated cost = \$395,000

Year 5 FY 2017 estimated cost = \$411,000

If the two (2) one (1) year options to re-new the 24x7 security contract are exercised, assuming a 4% annual CPI, the total cost for a five (5) year contract is estimated at \$1,900,000.

Funding for Event Security Services for non-Chargers events held in the building at Qualcomm Stadium will be funded by individual Stadium tenants for any tenant sponsored event(s) and event Promoters for any Promoter-sponsored event(s). Staff Pro will provide the Event Security Services under separate contracts between Staff Pro Inc and any Stadium tenants for any tenant-sponsored event(s) and any Event Promoter for any Promoter sponsored event(s). The City has the right to contract with Staff Pro Inc for City sponsored event(s) at rates no higher than the maximum rates bid by Staff Pro Inc. It is not anticipated that the City will require any funding for City sponsored Event Security Services because the City does not act as a Promoter.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE):

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

PREVIOUS COUNCIL and/or COMMITTEE ACTION (describe any changes made to the item from what was presented at committee):

N/A

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

N/A

Barwick, James

Originating Department

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Deputy Chief/Chief Operating Officer