



**SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY
STAFF REPORT**

Item No.
20

Meeting Date: **SEPTEMBER 2, 2010**

Subject:

Authorize the President/CEO to Execute an Agreement with HSS, Inc., for Contract Security Services

Recommendation:

Adopt Resolution No. 2010-0097, authorizing the President/CEO to execute an agreement with HSS, Inc., for contract security services for five (5) years, including two (2) one-year options to extend the agreement, in a not-to-exceed amount of \$15,000,000.

Background/Justification:

On May 24, 2010, the Authority issued a Security Officer Services – Request for Proposals (RFP). Notice of the RFP was advertised in the *San Diego Daily Transcript* and on the Authority's website. Fifty-two (52) firms downloaded the RFP.

The services requested in the RFP include: perimeter security and access control functions, alarm monitoring of the Airport's Security Operations Center (SOC), securing access portals in the terminal Sterile Areas, and providing personnel and vehicle inspections as directed by the Transportation Security Administration (TSA). More specifically, these functions include: monitoring of over three-hundred (300) access control alarm points, managing and monitoring advanced surveillance equipment, coordinating dispatch of San Diego Harbor Police officers, physical protection of three (3) tenant-accessible perimeter gates, physical protection of access points within the terminal Sterile Areas, physical patrol of all terminal spaces, and providing notifications to Authority personnel regarding other emergency conditions (e.g., fire alarms). Additional duties are assigned as TSA threat conditions and directives may mandate. These duties include physical inspection of vehicles, persons, and their accessible property accessing terminals and sensitive areas of the Airport.

On June 22, 2010, the Authority received twenty-five (25) responses to the RFP. The proposals received were evaluated based on: Company Experience and Skill, Primary Staff, Work Plan, Fees, and Small Business Preference. Eleven (11) of the twenty-five (25) respondents declared themselves as local businesses.

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On July 23, 2010, the six (6) highest scoring firms were invited to interview with a panel of representatives from the Authority and San Diego Harbor Police. The panel evaluated the six (6) firms based on: Company Experience and Skill, Primary Staff, Work Plan, Fees, Interview, and Small Business Preference. Three (3) of the six (6) highest scoring firms declared themselves as local businesses; with one (1) firm undeclared.

Upon completion of the interview process and review of the firms' scores, HSS, Inc., was deemed to be the most qualified respondent. The second and third qualified respondents were Heritage Security Services and Universal Protection Service, respectively. Therefore, the Authority recommends:

- 1) the Board authorize the President-CEO to execute an agreement with HSS, Inc., for contract security services for five (5) years including two (2) one-year options in a not-to-exceed amount of \$15,000,000; and
- 2) should negotiations with HSS, Inc., fail, the Board authorizes the President-CEO to execute an agreement, under the same terms, with the second qualified respondent.

Negotiations with HSS, Inc. have resulted in an approximate three and one-half (3.5) percent decrease in billable rates over those initially proposed. Additionally, the proposed not-to-exceed amount of the Agreement allows for contingencies to be addressed as directed by TSA; and coverage of additional interior and exterior posts required under the Green Build and Northside Development programs. The difference between the calculated base-level of services and the proposed contract amount allows for an approximate twenty-five (25) percent contingency to address TSA mandates over the term of the Agreement.

Fiscal Impact:

The budget for this Agreement has sufficient remaining funds to cover these actions. The Agreement budget is in the Aviation Security & Public Safety Department budget.

Environmental Review:

- A. CEQA: This Board action, as an administrative action, is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Equal Opportunity Program:

The Authority's small business program promotes the utilization of small, local, disadvantaged, and other business enterprises, on all contracts, to provide equal opportunity for qualified firms. By providing education programs, making resources available, and communicating through effective outreach, the Authority strives for diversity in all contracting opportunities.

The Authority has a Disadvantaged Business Enterprise ("DBE") Plan as required by the Department of Transportation, 49 CFR Part 26. The DBE Plan calls for the Authority to submit an annual overall goal for DBE participation on all federally funded projects.

This project does not utilize federal funds; therefore, it will not be applied toward the Authority's over-all DBE goal.

Prepared by:

GEORGE CONDON
DIRECTOR, OPERATIONS AND PUBLIC SAFETY

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RESOLUTION NO. 2010-0097

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AUTHORIZING THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH HSS, INC., FOR CONTRACT SECURITY SERVICES FOR FIVE (5) YEARS INCLUDING TWO (2) ONE-YEAR OPTIONS TO EXTEND THE AGREEMENT IN A NOT-TO-EXCEED AMOUNT OF \$15,000,000.

WHEREAS, the Airport Authority operates San Diego International Airport (SDIA) in accordance with regulations set forth by the Transportation Security Administration (TSA); and

WHEREAS, these regulations require the Airport Authority to conduct specific activities requiring the services of a California-licensed contract security firm; and

WHEREAS, this firm shall provide personnel under contract and at the direction of the Airport Authority to execute these specific activities; and

WHEREAS, on July 23, 2010, following a competitive solicitation process, the Airport Authority began negotiations with HSS, Inc., (HSS) to provide contract security officer services for the San Diego International Airport (SDIA); and

WHEREAS, the Agreement shall begin on October 18, 2010, and has a term of five (5) years including two (2) one-year options to renew and a total not-to-exceed compensation amount of \$15,000,000; and

WHEREAS, should negotiations with HSS, Inc., fail, the Board authorizes the President/CEO to make the award to the next ranked proposer, Heritage Security Services, on the same or better terms as negotiated with HSS; and

NOW, THEREFORE, BE IT RESOLVED that the Board authorizes the President-CEO to execute an agreement with HSS, Inc., for contract security services for five (5) years including two (2) one-year options to extend the agreement in a not-to-exceed amount of \$15,000,000.

BE IT FURTHER RESOLVED that the Board authorizes the President-CEO to negotiate, award and execute an agreement with the second qualified respondent, on the same or better terms and conditions should negotiations with HSS, Inc., fail.

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BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a "project" as defined by the California Environmental Quality Act (CEQA), Cal. Pub. Res. Code §21065; and is not a "development" as defined by the California Coastal Act, Cal. Pub. Res. Code §30106.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2nd day of September, 2010, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

BRETON K. LOBNER
GENERAL COUNSEL

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