



Legislation Text

File #: 21-0103, **Version:** 1

Recommendation to receive and file an amendment to Munis Contract No. 3190000026 (Contract No. 35169), with GSSI, Inc., dba General Security Services, of Wilmington, CA, for providing security guard services, to increase the contract amount by \$963,600, and extend the term to February 20, 2021, made pursuant to Chapters 2.69 and 2.85 of the Long Beach Municipal Code (LBMC) and in response to the proclaimed emergency due to the COVID-19 pandemic; and

Authorize City Manager, or designee, to execute all documents necessary to amend Contract No. 35169 with GSSI, Inc., dba General Security Services, of Wilmington, CA, for providing security guard services, to increase the annual contract amount to \$909,000, with an additional 20 percent contingency of \$181,800, for a total annual contract amount of \$1,090,800, plus an additional annual amount of \$300,000 for emergency services related to the COVID-19 pandemic response efforts, as needed; and, reaffirm the original City Council adopted Specifications No. ITB LB18-123, including the contract term of two years, with the option to renew for three additional one-year periods, at the discretion of the City Manager. (Citywide)

On February 19, 2019, the City Council authorized the award of a contract to GSSI, Inc. (GSSI), for providing security guard services. The City Council approved six months of spending authority while a Proposition "L" (Prop L) analysis was completed to consider bringing these services "in house" (provided by City employees). The Prop L analysis was transmitted to the Mayor and City Council via memorandum on June 18, 2019 (Attachment A) and the appropriate labor organization, International Association of Machinists and Aerospace Workers (IAM), was noticed of the Prop L analysis results on July 2, 2019. On August 20, 2019, the City Council granted an extension of the contract and increased funds for a total amount of \$999,900 to continue to provide this critical service while the meet and confer process continued, and the City Manager was requested to find a solution to restore the majority of these positions back to City employees.

Following the meet and confer proceedings with the IAM in November 2019 and January 2020, a memorandum was issued to the City Council on January 16, 2020 (Attachment B) with an update on the meet and confer process as well as the Prop L analysis given changes in contract services. The January 16, 2020 memorandum included the following key information:

- The annual cost of these services would likely be at least \$1.2 million more if provided by City employees, this is in addition to currently budgeted costs.

- The services under this particular contract have never been provided by City employees; hence, there are no City positions to be restored.
- Utilizing contracted services allows for the flexibility to provide ad hoc services that could not be accomplished with full-time employees (and the lack of flexibility may mean poorer services or costs significantly higher than the \$1.2 million annually).

It is noted that GSSI has indicated there are 23 security guards who provide services under this contract that are Long Beach residents.

The January 16, 2020 update recommended that the City Council address these issues in March 2020, but that did not happen due to the pandemic. The update also recommended that the City Council consider whether it wanted to expend (at least) an additional \$1.2 million to have these services provided by City employees during the FY 21 budget process. To facilitate City Council's direction to review this request as part of the FY 21 budget, the City Manager directed, as part of budget preparation instructions, each department with supplemental security guard services to review and make recommendations on whether they should be performed with a City employee and how to address the increased cost within their budget submittals if so recommended. Given the size of the structural deficit facing departments in FY 21 and in future years, no department recommended changing the current security model. The matter was not raised by the City Council during the FY 21 budget process where the emphasis for that budget was on reducing costs. The situation for FY 22 appears to be substantially worse in terms of reductions that will be needed.

Bringing these services in-house with City employees will require equivalent offsetting reductions, most likely elimination of other positions, potentially at the same or higher level than the staff that would be added for security guard services. If the City Council wishes to continue to look at having these services performed by City employees, such a decision would be best considered during the FY 22 budget process when the impacts and relative priorities can be more fully vetted. At least a six-month delay for staffing and development of operating procedures and practices would be needed, and it could be potentially longer if there are any lingering operational impacts from the pandemic. This could be accomplished by a City Council motion to include an alternative in the FY 22 budget to have these security guard services provided by City employees and identify an offsetting reduction (likely a staffing and service reduction) for consideration during the FY 22 budget process. The City currently does significant amount of security work using City security services officers, with over 200 positions budgeted in the Public Works, Police and Harbor Departments.

On March 10, 2020, the City Council adopted a Resolution ratifying the City Manager's Proclamation of a Local Emergency and the Public Health Officer's Declaration of Local Health Emergency due to the COVID-19 pandemic. Pursuant to the authority in Chapters 2.69 and 2.85 of the LBMC, the City Manager has the authority to approve purchases up to \$1,000,000 for goods or services related to a proclaimed emergency. GSSI provides a critical service to ensure the safety of visitors, staff, and property at citywide facilities.

Additionally, security guard services were added to COVID-19 testing site locations and other facilities to ensure the safety of pandemic operation staff and visitors. As a result, the City Manager used the emergency purchasing authority to add \$963,600 in spending authorization with GSSI for security guard services until February 20, 2021. The City has continued to meet with the IAM regarding this contract and, on December 10, 2020, met to discuss these additional as-needed emergency security guard services.

City Council approval is requested to amend Contract No. 35169 with GSSI to increase the annual contract amount to \$909,000, with an additional 20 percent contingency of \$181,800, for a total annual contract amount of \$1,090,800, plus an additional annual amount of \$300,000 for emergency services related to the COVID-19 pandemic response efforts, as needed. The City Council is also requested to reaffirm the original City Council action adopting Specifications No. ITB LB18-123, including the contract term of two years, with the option to renew for three additional one-year periods. Contract No. 35139 was executed on February 21, 2019 and is effective through February 21, 2021. The City Manager intends to exercise the first renewal option extending the term through February 21, 2022.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson on December 28, 2020, Business Services Bureau Manager Tara Yeats on January 25, 2021, and by Finance Director John Gross on January 10, 2021.

EQUITY LENS

The City has incorporated the Equity Toolkit in this recommendation, as requested by the City Council on April 21, 2020. The services derived from this contract were completed in accordance with procurement procedures. Additionally, the services provided under this contract have a positive impact to the City's public health emergency response by providing security guard services to COVID-19 testing sites, homeless shelters, and quarantine and isolation sites. These sites are specifically located in communities of color disproportionately affected by the effects of COVID-19.

City Council action to amend Contract No. 35169 is requested on February 9, 2021, to allow for these critical services to continue without interruption.

The receive and file requested action documents the total increase for Munis Contract No. 3190000026 in the amount of \$963,600, inclusive of \$400,000 in FY 20 emergency response efforts, \$166,667 in FY 21 emergency response efforts, \$303,000 of regular services for FY 21, and a 20 percent contingency for FY 21 services of \$93,933 (excludes FY 20 emergency services), and extends the term to February 20, 2021.

The requested action for the amendment to Contract No. 35169 will increase the annual contract amount to \$1,090,800, plus an additional \$300,000 as needed for emergency response efforts. The revised aggregate total contract authority with GSSI intended for this

amendment, inclusive of both recommendations and the prior City Council authorized amount of \$999,900, is an amount not to exceed \$3,354,300.

The regular services provided by the contract are budgeted in various funds and departments citywide, and funding from public health, safety, and emergency assistance grants will be sought for as-needed emergency services. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The extension of this contract will provide continued support to our local economy by assisting in the preservation of employment for 23 employees residing in Long Beach.

Approve recommendation.

JOHN GROSS
INTERIM DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

THOMAS B. MODICA
CITY MANAGER