



Board Report

File #: 2021-0357, File Type: Contract

Agenda Number: 28.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE JUNE 17, 2021

SUBJECT: INFRASTRUCTURE PROTECTION SERVICES

ACTION: APPROVE CONTRACT MODIFICATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute Contract Modification No. 8 to Contract No. PS560810024798 with RMI International, Inc. (RMI) to continue providing existing infrastructure protection services, increase the not-to-exceed contract value by \$15,000,000 from \$105,453,758 to \$120,453,758, and extend the period of performance from October 1, 2021 to March 31, 2022.

ISSUE

The existing contract will expire on September 30, 2021. In order to continue the existing infrastructure protection services at Metro stations, parking lots/structures, and critical infrastructures, Contract Modification No. 8 is required. This modification will also allow time for System Security and Law Enforcement (SSLE) to conduct a comprehensive evaluation of Metro's existing infrastructure protection service requirements and consult with the newly formed Public Safety Advisory Committee (PSAC) in the development of the revised scope of services resulting in a new solicitation.

BACKGROUND

RMI provides critical infrastructure protection services at selected locations of the regional Metro System to protect Metro assets and to prevent unlawful entry into secured areas, which if breached can disrupt Metro Operations and put Metro staff at risk. In order to continue to provide preventative physical security at Metro stations, parking lots/structures, and critical infrastructures, and to increase visible protection presence at bus/rail maintenance facilities consistent with industry best practices, Contract Modification No. 8 is required. Metro staff will continue to manage all areas being patrolled and guarded by RMI in an effort to deter and detect threats, mitigate security risks while minimizing costs wherever possible.

DISCUSSION

Under this contract, RMI provides infrastructure protection services at selected locations of the regional Metro System, including rail and bus lines, stations, transit facilities, parking lots, construction sites, bus and rail operating divisions, and maintenance facilities. It also provides additional protection services on an as-needed basis for special events and emergencies.

DETERMINATION OF SAFETY IMPACT

This Board action will not have any negative impact on establishing safety standards.

FINANCIAL IMPACT

The increase requested is to modify the current contract value from \$105,453,758 to \$120,453,758. The funding is included in the FY22 Adopted Budget (\$23.7M) aligned to System Security & Law Enforcement within cost center 2612, Account 50399 and extend the current contract period of performance for an additional six (6) month term on the current multi-year contract. At the termination of the contract extension, it is anticipated the new Request for Proposal (RFP) and award for Infrastructure Protection Services will be in place commencing April 1, 2022.

Impact to Budget

The FY22 Adopted Budget includes \$23.7 million allocated for contract services in Cost Center 2612, Account 50399 and multiple operating projects. The source of funds for this contract modification will be local operating funds including Proposition A, C, TDA, Measure R, and Measure M taxes. These funds are eligible for Bus and Rail operations.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports strategic plan goal 2.1 of committing to improving security. To achieve this goal, Metro will rely on a multi-layered, integrated security program that comprises of plans, organizing, equipment, training, exercises, technology, public awareness, and regional partnerships and collaborations.

ALTERNATIVES CONSIDERED

Alternatives to this staff recommendation is not recommended because Metro currently does not have internal resources to provide the necessary level of staffing needed to safeguard its critical infrastructures and the assets and, employees at those locations. Further, discontinuation of the current levels of protection services will significantly increase known security risks related to crime, security breaches, and acts of terrorism.

NEXT STEPS

Upon Board approval, staff will execute Modification No. 8 to Contract No. PS560810024798 with RMI International, Inc., to continue to provide infrastructure protection services to the end of the extended contract term.

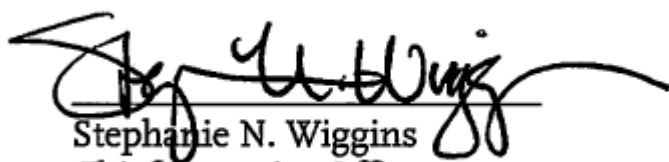
ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification / Change Order Log

Attachment C - DEOD Summary

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Stephanie N. Wiggins
Chief Executive Officer

**PROCUREMENT SUMMARY
SECURITY GUARD SERVICES/PS560810024798**

| | | | |
|---|---|-----------|--|
| 1 | Contract Number: PS560810024798 | | |
| 2 | Contractor: RMI International, Inc. | | |
| 3 | Mod. Work Description: Increase contract authority and six-month extension | | |
| 4 | Contract Work Description: Security Guard Services | | |
| 5 | The following data is current as of: May 12, 2021 | | |
| 6 | Contract Completion Status | | Financial Status |
| | Contract Awarded: | 9/27/2016 | Contract Award Amount: \$81,944,840 |
| | Notice to Proceed (NTP): | N/A | Total of Modifications Approved: \$23,508,918 |
| | Original Complete Date: | 9/30/2021 | Pending Modifications (including this action): \$15,000,000 |
| | Current Est. Complete Date: | 3/31/22 | Current Contract Value (with this action): \$120,453,758 |
| 7 | Contract Administrator: Aielyn Dumaua | | Telephone Number: (213) 922-7320 |
| 8 | Project Manager: Judy Gerhardt | | Telephone Number: (213) 922-4811 |

A. Procurement Background

This Board Action is to approve Modification No. 8 to Contract No. PS560810024798 to RMI International, Inc. for infrastructure protection services at selected locations of the regional Metro System which includes rail and bus lines, stations, transit facilities, parking lots, construction sites, bus and rail operating divisions and maintenance facilities.

This contract modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit rate.

In September 2016, the Board approved a five-year contract to RMI International, Inc. to provide infrastructure protection services.

Refer to Attachment B –Contract Modification/Change Order Log for modifications issued to date.

B. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based on price analysis and are subject to Metro's living wage rates.

| Proposed Amount | Metro ICE | Award Amount |
|------------------------|------------------|---------------------|
| \$15,000,000 | \$15,000,000 | \$15,000,000 |

ATTACHMENT B

**CONTRACT MODIFICATION/CHANGE ORDER LOG
SECURITY GUARD SERVICES/PS560810024798**

| Mod. No. | Description | Status (approved or pending) | Date | \$ Amount |
|-----------------|---|-------------------------------------|----------------|----------------------|
| 1 | Clarified basis for payment of billable overtime work and holiday hours | Approved | 9/27/2016 | \$ 0 |
| 2 | Increase contract value due to unanticipated living wage adjustment for FY17/18 | Approved | 7/1/2017 | \$5,108,918 |
| 3 | Revised fully burdened hourly labor as a result of unanticipated living wage rate adjustments for FY18/19 | Approved | 7/1/2018 | \$ 0 |
| 4 | Change in deployment | Approved | 1/25/2019 | \$ 0 |
| 5 | Updated list of subcontractors and issued applicable living wage rates for FT 19/20 | Approved | 7/1/2019 | \$ 0 |
| 6 | Increased contract value to cover increased security guard presence and living wage rate adjustments | Approved | 2/1/2020 | \$18,400,000 |
| 7 | Updated list of subcontractors | Approved | 10/12/2020 | \$ 0 |
| 8 | Increase contract authority and extend period of performance by six months | Pending | Pending | \$15,000,000 |
| | Modification Total: | | | \$38,508,918 |
| | Original Contract: | | | \$81,944,840 |
| | Total: | | | \$120,453,758 |

DEOD SUMMARY

SECURITY GUARD SERVICES/PS560810024798

A. Small Business Participation

RMI International, Inc (RMI) made a 33.20% Disadvantaged Business Enterprise (DBE) commitment. Based on payments reported, the contract is 99.75% complete and the current DBE participation is 30.27%, representing a 2.93% shortfall.

According to RMI's 2020 Shortfall Mitigation plan, RMI intent was to increase the work for DBE firms, Allied Protection Services and American Eagle, and to become compliant in meeting their DBE commitment within the 2020 calendar year, RMI indicated that the primary concern for all contractors on this contract is staffing and manpower. RMI contends that during the 4th quarter of 2020, all vendors began to experience negative guard staff retention and on-boarding numbers as a direct result of the COVID-19 pandemic. As such, RMI indicated their need to fulfill the service hours that its subcontractors were unable to meet, to support the operational needs of METRO. Metro DEOD staff met with Allied and American Eagle, who both stated that they continue to recruit to increase their level of staffing and RMI further indicated that they are looking to add additional sites to their subcontractors to increase the level of participation.

RMI reported that it is meeting with its DBE subcontractors bi-weekly to discuss their operations. RMI explained that steps are being taken to increase their level of participation and remain committed to reducing the shortfall. RMI was requested to submit an updated shortfall mitigation plan outlining how it will reduce the shortfall post-COVID conditions. Metro staff will continue to track DBE utilization and meet with the Project Manager and RMI to ensure all feasible remedies are explored to meet the commitment.

| | | | |
|----------------------------------|-------------------|-------------------------------------|-------------------|
| Small Business Commitment | DBE 33.20% | Small Business Participation | DBE 30.27% |
|----------------------------------|-------------------|-------------------------------------|-------------------|

| | DBE Subcontractors | Ethnicity | % Committed | Current Participation¹ |
|----|--|-------------------|--------------------|--|
| 1. | Allied Protection Services, Inc. | African American | 13.44% | 1.64% |
| 2. | North American Security and Investigations, Inc. | Hispanic American | 5.96% | 16.59% |

| | | | | |
|--------------------------------|---|-------------------------|---------------|---------------|
| 3. | Security America, Inc. (<i>substituted due to voluntary withdrawal</i>) | Hispanic American | 13.80% | 9.37% |
| 4. | American Eagle Protective Services | African American Female | Added | 2.62% |
| 5. | Absolute Security International, Inc. | Asian Pacific Female | Added | 0.05% |
| Total DBE Participation | | | 33.20% | 30.27% |

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

B. Contracting Outreach and Mentoring Plan (COMP)

RMI International Inc. is mentoring (3) DBE protégés: Allied Protection Services, North American Security & Investigations, and Absolute Security International, Inc.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Living Wage Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is applicable to this contract/modification. Metro staff will monitor and enforce the policy guidelines to ensure that applicable workers are paid at minimum, the current Living Wage rate of \$20.15 per hour (\$14.60 base + \$5.55 health benefits), including yearly increases. The increase may be up to 3% of the total wage, annually. In addition, contractors will be responsible for submitting the required reports for the Living Wage and Service Contract Worker Retention Policy and other related documentation to staff to determine overall compliance with the policy.

E. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.