



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 1, 2025

FROM: GENERAL SERVICES DEPARTMENT WARDS: ALL

SUBJECT: FOURTH AMENDMENT TO THE SERVICES AGREEMENT FOR UNARMED SECURITY SERVICES AT VARIOUS CITY FACILITIES WITH UNIVERSAL PROTECTION SERVICE, LP, (DBA ALLIED UNIVERSAL SECURITY SERVICES) IN THE AMOUNT OF \$100,045.16 FOR ADDITIONAL FY 2024/25 SERVICES; A TWO-YEAR EXTENSION IN THE AMOUNT OF \$5,007,146.81 THROUGH JUNE 30, 2027 FOR A TOTAL REVISED CONTRACT AMOUNT NOT TO EXCEED \$10,731,940.71, PLUS 20% CHANGE ORDER AUTHORITY IN THE AMOUNT OF \$1,001,429.36 – INTERDEPARTMENTAL TRANSFER

ISSUES:

Approve the Fourth Amendment to the Services Agreement for Unarmed Security Services at various City facilities with Universal Protection Service, LP, (dba Allied Universal Security Services) of Santa Ana, California, in the amount of \$100,045.16 for additional FY 2024/25 services; a two-year extension in the amount of \$5,007,146.81 through June 30, 2027 for a total revised contract amount not to exceed \$10,731,940.71, plus 20% change order authority in the amount of \$1,001,429.36.

RECOMMENDATIONS:

That the City Council:

1. Ratify the Second and Third Amendment to the Services Agreement for Unarmed Security Services at various City facilities with Universal Protection Service, LP, (dba Allied Universal Security Services) of Santa Ana, California;
2. Approve the Fourth Amendment to the Services Agreement for Unarmed Security Services at various City facilities with Universal Protection Service, LP, (dba Allied Universal Security Services) of Santa Ana, California, in the amount of \$100,045.16 for additional FY 2024/25 services;
3. Approve a two-year extension in the amount of \$5,007,146.81 through June 30, 2027;

4. With at least five affirmative votes authorize the Chief Financial Officer, or designee, to record multiple interdepartmental transfers within General Fund in totality of \$1,436,630.14;
5. Authorize 20% change order authority in the amount of \$1,001,429.36 for unforeseen changes in service to include but not limited to requests to increase service frequency, add facilities, and for special or emergency services; and
6. Authorize the City Manager, or designee, to execute all documents necessary to effectuate the agreement, including making minor and non-substantive changes.

BACKGROUND:

The General Services Department (General Services) is responsible for maintaining City facilities, including administering the citywide security services agreement. Through this agreement, unarmed daytime security guard services are provided at City Hall, Public Utilities Orange Square, Public Utilities Resource Center, Eastside Library, and Arlanza Library. Round the clock (24/7) service is provided at the Main Library, the Corporation Yard, Utilities Operation Center, and Public Works Garages 1, 2, 3, 6, and 7.

On April 4, 2022, General Services issued Request for Proposals (RFP) No. 2174, soliciting qualified vendors to provide annual unarmed security services at various City facilities; as a means of enhancing public safety, protecting private property, and ensuring smooth operations during and after business hours. Following a bid protest, Universal Protection Service, LP doing business as Allied Universal Security Services (Allied) was deemed both responsive and the most qualified.

On June 13, 2023, the City Council approved the Agreement for unarmed security officer services at various City Facilities for the amount of \$4,110,868.72 plus a 20% change order authority of \$822,173.74 for a total contract amount of \$4,933,042.46 for an initial term ending June 30, 2025.

On October 10, 2023, the City Council approved the First Amendment for increased unarmed security services at the request of the Housing and Human Services Department, in conjunction with the Police Department, to support the implementation of the Homeless Action Plan through the Security Resource Pilot Program in the Downtown and other designated areas of the City in the amount of \$269,755.22 through June 30, 2024, for a total amount of \$4,380,623.94 plus a 20% change order authority in the amount of \$876,124.79 for a total revised contract amount of \$5,256,748.73.

DISCUSSION:

Due to an administrative oversight, the Second and Third Amendments were not previously brought before Council. To address this error, staff is seeking ratification of those amendments.

The Second Amendment was executed on March 7, 2024 to increase the annual purchase order by \$100,000 for an additional security patrol within Wards 5 and 6, at the request of Council, as an addition to the Security Resource Pilot Program for a total amount of \$4,480,623.94 plus a

20% change order in the amount of \$896,124.79 for a total revised contract amount of \$5,376,748.73.

On July 24, 2024, a Third Amendment was executed to extend the Wards 5 and 6 patrol service through June 30, 2024, and, at the request of Council, to add a security patrol to the Brockton Arcade area as an addition to the Security Resource Pilot Program. This increased compensation by \$248,000 for a total contract amount of \$5,624,748.74.

A Fourth Amendment to the existing security agreement with Allied is needed at this time in order to account for additional costs from the previously mentioned extension to the Security Resource Pilot Program and the additional 24-hour Parking Patrol for City Parking Garages for FY 2024/25.

Due to an extension requested by City management to the Security Resource Pilot Program, additional funds are needed to account for the increase in security services that exceeds the current contract limit of \$5,624,748.74. An additional \$100,045.16 is needed to close out FY2024/25, bringing the current total to \$5,724,793.90.

A Fourth Amendment to the existing security agreement with Allied is also needed to extend the term for two additional years through June 30, 2027, with compensation in the amount of \$5,007,146.81 to maintain current service levels. The General Services Department will continue to closely monitor the vendor's performance during this contract, and the City retains the ability to terminate the agreement if service levels are not acceptable.

A 20% change order authority, totaling \$1,001,429.36, is requested to address unforeseen changes in service. This authority will allow for adjustments including, but not limited to, increased service frequency, the addition of new facilities, and the provision of special or emergency services as needed.

General Services will issue a new Request for Proposal for Citywide security services in 2026.

Per Purchasing Resolution 24101, Section 1104 states "Modifications to a Purchase Order shall be made only by Change Order...Change Orders which cumulatively exceed the following will require Awarding Entity approval: a) 10% of the original contract price for Contracts and/or Purchase Orders for Goods Services and Professional Services up to \$100,000...d) a Contract amendment which extends the term of the agreement beyond one year of the original expiration date."

The Purchasing Manager concurs that the recommendation is in accordance with Purchasing Resolution No. 24101.

STRATEGIC PLAN ALIGNMENT:

This item contributes to Strategic Priority 6 – Infrastructure, Mobility & Connectivity, and specifically Goal 6.2 – Maintain, protect and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

This item aligns with each of the five Cross-Cutting threads, as follows:

1. **Community Trust**- Following the City’s procurement policy process and Purchasing resolution, unarmed security services were solicited via a formal RFP process and subsequently agendized for City Council review and consideration, ensuring public transparency.
2. **Equity** - Security services are provided equitably across City facilities, helping to ensure the safety of residents, staff and visitors.
3. **Fiscal Responsibility** - Competitive procurement was used to secure the lowest cost for unarmed security services ensuring fiscal responsibility.
4. **Innovation** - This item is neutral towards this cross-cutting thread.
5. **Sustainability & Resiliency** - Contract security services help to mitigate safety risks, furthering the City's operational sustainability and resiliency.

FISCAL IMPACT:

The total fiscal impact of the contract renewal through FY 2026/27 is \$5,107,191.97. The fiscal impact of this action for FY 2024/25 is \$100,045.16. Sufficient funds are available in the FY 2024/25 budget as shown in Table 1 below, with actual amounts to be determined by actual usage.

Table 1. FY 2024/25 Contract Costs

Fund	Program	Account	Amount
General Fund	N/D - City Hall Occupancy	7222100-421000	\$7,232.16
Parking Fund	Public Parking-Professional Svcs	4150000-421000	\$69,975.12
Measure Z	General Svcs - Magnolia Property	8005801-421000	\$22,837.88
Total			\$100,045.16

The total fiscal impact of this action for FY 2025/26 is \$2,458,037.20. Upon Council approval, interdepartmental transfers of \$1,436,630.14 will be recorded in the following accounts as listed in Table 2 below for FY 2025/26. These interdepartmental transfers will enhance the General Service Department’s oversight of the security contract and related budgets by consolidating the General Fund security budget within their department. The balance of the contract amount is budgeted in other applicable funds receiving the services.

Table 2. Budget Adjustment

Fund	Program	Account	Amount
General Fund	<i>Increase</i>		
	GS - Building Services - Security	2210000-421006	\$1,436,630.14
	<i>Decrease</i>		
	GS - Building Services	2210000-421000	(\$37,288.14)
	PW - Signal Maintenance	4110400-422201	(\$4,000.00)
	Library - Neighbor Services	5135000-421000	(\$579,653.00)
	Parks & Recreation - Recreation	5205000-421000	(\$575,526.00)
	Parks & Recreation - Youth Innovation Ctr	5230000-421000	(\$56,400.00)
	N/D - City Hall Occupancy	7222100-421000	(\$183,763.00)
			Total Decrease

The total fiscal impact of this action for FY 2026/27 is \$2,549,109.61. Appropriations for future fiscal years will be included in the various departmental budget submissions for those fiscal years to be presented to the City Council for approval.

Prepared by: Frederick Tobar, Administrative Analyst
 Approved by: Lee Withers, General Services Director
 Certified as to availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
 Approved by: Edward Enriquez, Assistant City Manager/Chief Financial Officer/City Treasurer
 Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

- Attachments:
1. 4th Amendment
 2. Presentation