

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
3.34
(ID # 7078)

MEETING DATE:

Tuesday, June 12, 2018

FROM : SHERIFF-CORONER-PA:

SUBJECT: SHERIFF-CORONER-PA: Ratification and Approval of Amendment No. 2 to the Personal Service Agreement for Security Guard Service with Universal Protection Service, LP dba Allied Universal Security Services for the Superior Court of California, County of Riverside and The County Administration Center for Eight (8) Years (FY17/18 - FY24/25). [All District]; [500,000 – Additional Aggregate Annual Amount]; [4,000,000 – Additional over 8 Years]; 90% State Funding and 10% General Fund

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve Amendment No. 2 for Security Guard Service with Universal Protection Service, LP dba Allied Universal Security Services for the Superior Court of California, County of Riverside, to increase the agreement by \$500,000 to \$2,500,000 annually from January 1, 2018 through June 30, 2020 and if the optional five-year renewal is executed through the period ending June 30, 2025, for a potential total aggregate spend of \$24,000,000.
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding, to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates, as approved by County Counsel.

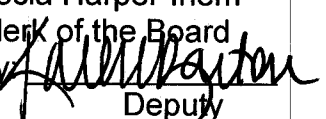
ACTION: Policy


Will Taylor, Director of Administration 6/4/2018

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: June 12, 2018
xc: Sheriff, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 500,000	\$ 500,000	\$ 4,000,000	\$ 0
NET COUNTY COST	\$ 50,000	\$ 50,000	\$ 400,000	\$ 0
SOURCE OF FUNDS: 90% State Funding and 10% General Fund			Budget Adjustment: No	
			For Fiscal Year: 17/18 – 24/25	

C.E.O. RECOMMENDATION: Approve

BR 18-047
3.59 6/30/15

BACKGROUND:

Summary

The Superior Court of California, County of Riverside contracts with private security to provide entry screening security personnel and equipment at all sixteen (16), countywide court locations. The County Administration Center, which also utilizes the same private security vendor, is also equipped with entry screening security personnel and equipment. The Sheriff's Department arranges this entry security through a contracted vendor that includes the use of magnetometers, x-ray machines, handheld wands, and individual searches of private belongings.

Private security guard services must be continually supplied for entry screening without interruption due to the potential for violence, injuries, and the illicit passing of weapons and dangerous contraband at the various designated sites.

Impact on Residents and Businesses

Each facility must provide a safe and secure environment for the employees and public, as well as protection of the buildings and their contents. Additionally, the facilities must be guarded against theft, pilferage, and vandalism on the premises.

Contract History and Price Reasonableness

When the Request for Proposal (RFP) SHARC-239 for security guard service at Riverside County Superior Court locations was issued in 2015, Guardsmark, GP ("Guardsmark") was the awarded vendor. The Board approved on 6/30/2015 (3-59) the Personal Service Agreement for Security Guard Service with Guardsmark ("Agreement"), for a total aggregate amount of \$10,000,000 over five-years, with the option to renew for an additional five years, renewable in one-year increments, contract totaling \$20,000,000. Amendment No. 1, effective December 23, 2015, was signed by the purchasing agent to update locations and number of guards per location. On or about July 28, 2015, Guardsmark and Universal Protection Service, LP ("Contractor") entered into a certain Membership Interest Purchase Agreement, whereby Guardsmark became a wholly-owned subsidiary of Contractor ("Acquisition"), which does

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business as Allied Universal Security Services. As a part of the purchase, Guardsmark assigned, and Contractor assumed, all of Guardsmark's rights and obligations under the Agreement pursuant to that certain Assignment and Assumption Agreement dated December 1, 2015 between Guardsmark and Contractor ("Assignment"). Among other things, the Second Amendment to the Agreement will ratify and approve the Assignment.

Since the Agreement took effect on July 1, 2015, Guardsmark and now Contractor have maintained the hourly rate of \$16.54 for both hourly employees and supervisors. Contractor is proposing a price increase for both hourly employees and supervisors due to the California Statewide Minimum Wage change. The Sheriff's Department anticipates the contract amount to increase every year starting from January 1, 2018 to January 1, 2020. Effective January 1, 2018, the minimum wage in California for employers with 26 or more employees has increased by \$0.50, bringing the minimum wage to \$11 per hour. On January 2019 and 2020, the minimum wage is expected to increase by \$1 each year.

The Sheriff's Department engaged in a lengthy negotiation process and aggressively negotiated the hourly rate for both hourly employees and supervisors for the remaining term of the Agreement, which expires on June 30, 2020. Both parties agree to the negotiated hourly rates below:

	Allied Hourly Rate Proposal	Negotiated Hourly Rate
January to December 2018	\$17.33	\$17.17
January to December 2019	\$18.47	\$18.30
January to December 2020	\$19.82	\$19.42

The Department is requesting to increase their annual maximum contract amount by \$500,000, bringing the total amount to \$2,500,000 annually, including all expenses, to support the wage increases for the seventy (70) security guards that are positioned at sixteen (16) court locations and the County Administration Center. The Second Amendment will increase the total number of security guards from sixty-five (65) to seventy (70) and will add the Southwest Juvenile Court location to the locations served by the Contractor.

County Counsel has reviewed and approved the Second Amendment as to legal form.

Additional Fiscal Information

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The Superior Court of California, County of Riverside uses State Funding to cover all costs incurred for sixty-three (63) private security guards under the contract for all Superior Court locations throughout Riverside. It is estimated that of the additional \$4,000,000 covering the contract over eight years, the Superior Court of California will incur \$3,600,000. The residual of \$400,000 over eight years will cover the cost for the County Administrative Center's seven private security guards, which are funded by General Fund.

Attachments:

Amendment No. 2 to the Personal Service Agreement for Security Guard Service with Universal Protection Service, LP dba Allied Universal Security Services - 4 copies



Mistry Wang, Supervising Accountant

5/24/2018



Tina Grande, Assistant Purchasing Director

6/4/2018



Ryan Carter, Principal Management Analyst

6/5/2018



Gregory V. Priaplos, Director County Counsel

5/16/2018

COUNTY OF RIVERSIDE
AMENDMENT NO. 2 TO THE PERSONAL SERVICE AGREEMENT FOR SECURITY
GUARD SERVICE
WITH
UNIVERSAL PROTECTION SERVICE, LP DBA ALLIED UNIVERSAL SECURITY
SERVICES

Original Contract Term:	July 1, 2015 through June 30, 2020
Contract Term Extended To:	not applicable
Effective Date of Amendment:	January 1, 2018
Original Annual Maximum Contract Amount:	\$2,000,000 (annual aggregate amount)
Amended Annual Maximum Contract Amount:	\$2,500,000 (annual aggregate amount)
Contract ID:	SHARC-99046-002-06/20

This AMENDMENT NO. 2 TO THE PERSONAL SERVICE AGREEMENT FOR SECURITY GUARD SERVICE ("Second Amendment"), dated as of JUN 12 2018, is entered into by and between the County of Riverside ("COUNTY"), a political subdivision of the State of California, and Universal Protection Service, LP, a California limited partnership, doing business as Allied Universal Security Services, ("CONTRACTOR"), sometimes collectively referred to as the "Parties".

RECITALS

WHEREAS, the COUNTY entered into that certain Personal Service Agreement for Security Guard Service with Guardsmark, GP ("Guardsmark"), dated June 30, 2015, whereby Guardsmark provided private security guard services for the Superior Courts of the County of Riverside ("Agreement").

WHEREAS, Universal Protection Service, LP ("Universal Protection") and Guardsmark entered into that certain Membership Interest Purchase Agreement, whereby Guardsmark became a wholly-owned subsidiary of Universal Protection ("Acquisition").

WHEREAS, as part of the Acquisition, Guardsmark assigned, and Universal Protection assumed, all of Guardsmark's rights and obligations under the Agreement pursuant to that certain Assignment and Assumption Agreement dated December 1, 2015 ("Assignment").

WHEREAS, the Agreement was amended by that certain Amendment No. 1 to the Agreement, dated February 20, 2016 and effective as of December 23, 2015, whereby the Parties revised the total number of security guards serving specified court locations through the County of Riverside ("First Amendment").

WHEREAS, the COUNTY desires to ratify and approve the Assignment and amend the Agreement by revising the payment provisions, the locations where security guard services will be provided, and the total number of security guards serving those locations.

NOW, THEREFORE, for good and valuable consideration the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

COUNTY OF RIVERSIDE
 AMENDMENT NO. 2 TO THE PERSONAL SERVICE AGREEMENT FOR SECURITY
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 SERVICES

1. The above recitals are true and correct.
2. Section 3 (Compensation). The second sentence in Section 3 of the Agreement is hereby deleted in its entirety and replaced with the following: "Maximum payments by COUNTY to CONTRACTOR shall not exceed two million five hundred thousand dollars (\$2,500,000) annually including all expenses."
3. Exhibit A, Section 1, Subsection a. Section 1, Subsection a., CONTRACTOR'S Guards Duties and Responsibilities, of Exhibit A of the Agreement is hereby deleted in its entirety and replaced with the following:

CONTRACTOR shall ensure that each guard has been trained in accordance with the California Department of Public Health (CDPH) requirements in the California Code of Regulations (CCR) Title 17, Section 30337 which states that any person who will be operating an x-ray machine must receive training in the safe use and operation of these screening devices and that said operators pass two tests, with a minimum score of 80 percent, to show proficiency in the machine's operation. CONTRACTOR must keep records of the above training at the courthouse to which the employee is assigned and these records must be readily accessible for retrieval upon demand by any inspecting authority, and maintained onsite for a period of no less than three (3) years. Except as noted in subsection (i) below, CONTRACTOR must ensure that no employee is allowed to operate the x-ray machine unsupervised without receiving the required training and passing the two tests. No employee is to be allowed to operate a device independently without the record of said training onsite at all times.

- i. For the purpose of training and limited to the preparation of the required practical exam, and limited to facilities with onsite supervisory personnel, new employees may operate the x-ray equipment while under the immediate and direct supervision of a trained operator.

4. Exhibit A, Section 5. Section 5 of Exhibit A of the Agreement is hereby deleted in its entirety and replaced with the following:

5. **Locations:** A total of 70 unarmed security guard will be required at the following addresses:

No. of Guards	Locations
10A	Hall of Justice, 4100 Main Street, Riverside 92501
5	Family Law, 4175 Main Street, Riverside 92501
6	Historic Courthouse, 4050 Main Street, Riverside 92501
2	Juvenile Court, 9991 County Farm Road, Riverside 92503

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1	Self-Help Center, 3989 Lemon Street, 2 nd floor, Riverside CA 92501
7	County Administration Center, 4080 Lemon Street, Riverside 92501
4B	Moreno Valley Court, 13800 Heacock Street, Bldg D# 201, MV 92553
2C	Corona Branch, 505 South Buena Vista Ave., Corona 91720
3F	Hemet Branch, 880 North State Street, Hemet 92543
8G	Southwest Justice Center, 30755-D Auld Road, Murrieta 92563
2	Temecula Branch, 41002 County Center Drive #100, Temecula 92591
2	Palm Springs Branch, 3255 East Tahquitz Canyon Way, Palm Springs 92262
7D	Larson Center-Indio Branch, 46-200 Oasis Street, Indio 92201
2	Juvenile Hall, 47-671 Oasis Street, Indio 92201
5E	Banning Justice Center, 311 E. Rasmey Street, Banning 92220
1	Blythe Branch, 265 North Broadway, Blythe 92225
3	Southwest Juvenile Court, 30755-G Auld Road, Murrieta CA 92563

- A. Nine (9) Guards and One (1) Supervisor Daily, Monday through Friday
- B. Four (4) Guards Monday through Friday, and One (1) Guard on one Wednesday night per month for night court
- C. Two (2) Guards, Every Friday
- D. Six (6) Guards and One (1) Supervisor Daily, Monday through Friday
- E. Four (4) Guards and One (1) Supervisor Daily, Monday through Friday
- F. Two (2) Guards and One (1) Supervisor Daily, Monday through Friday
- G. Seven (7) Guards and One (1) Supervisor Daily, Monday through Friday

PLEASE NOTE: This list is non-inclusive, and locations may be added or removed in any or all of the service areas throughout the term of the Agreement.

- 5. Exhibit B (Payment Provisions). Exhibit B of the Agreement is hereby deleted in its entirety and replaced with the attached Exhibit B-1.
- 6. Assignment. The COUNTY hereby ratifies and approves the Assignment, attached hereto as Exhibit "A" and incorporated herein by reference, with said approval being effective as of December 1, 2015.
- 7. Annual Maximum Contract Amount. The "Annual Maximum Contract Amount" listed in the First Amendment is hereby corrected to read "\$2,000,000".
- 8. Capitalized Terms/Amendment to Prevail. Unless defined herein or the context requires otherwise, all capitalized terms herein shall have the meaning defined in the

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Agreement, as heretofore amended. The provisions of this Second Amendment shall prevail over any inconsistency or conflicting provisions of the Agreement, as heretofore amended, and shall supplement the remaining provisions thereof.

9. Miscellaneous. Except as amended or modified herein, all the terms of the Agreement shall remain in full force and effect and shall apply with the same force and effect. Time is of the essence in this Second Amendment and the Agreement and each and all of their respective provisions. Subject to the provisions of the Agreement as to assignment, the agreements, conditions and provisions herein contained shall apply to and bind the heirs, executors, administrators, successors and assigns of the parties hereto. If any provisions of this Second Amendment or the Agreement shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of the Agreement and all such other provisions shall remain in full force and effect. The language in all parts of the Agreement shall be construed according to its normal and usual meaning and not strictly for or against either COUNTY or CONTRACTOR.

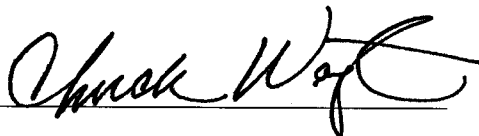
10. Effective Date. This Second Amendment shall not be binding or consummated until its approval by the Riverside County Board of Supervisors and fully executed by the Parties.

[signatures on following page]

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IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Second Amendment.

COUNTY OF RIVERSIDE, a political
subdivision of the State of California

By: 

Chuck Washington
Chairman, Board of Supervisors

Dated: JUN 12 2018

UNIVERSAL PROTECTION
SERVICE, LP, a California limited
partnership, dba Allied Universal
Security Services

By: Universal Protection GP, LLC, its
General Partner

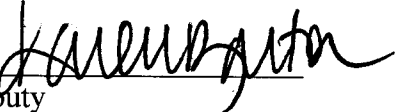
By: 

Its: POSSIDENT

Dated: 5/8/18

ATTEST:

Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:

Gregory P. Priamos
County Counsel

By: 
Susanna Oh
Deputy County Counsel

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WITH
UNIVERSAL PROTECTION SERVICE, LP DBA ALLIED UNIVERSAL SECURITY
SERVICES
EXHIBIT A
Assignment and Assumption Agreement

This Assignment and Assumption Agreement (the "Agreement") is made and entered into as of December 1, 2015 (the "Effective Date"), by and between Universal Protection Service, LP, a California limited partnership, (the "Contractor"), and Guardsmark, LLC, a Delaware limited liability company (the "Original Contractor").

RECITALS

- A. Original Contractor and its various customers have previously entered into numerous service agreements for security guard services (the "Service Agreements") for the provision of security services at various properties across the county, as described in each such service agreement;
- B. On or about July 28, 2015, Contractor (including various affiliates thereof) and Original Contractor previously entered into a certain Membership Interest Purchase Agreement pursuant to which Original Contractor ultimately became a wholly-owned subsidiary of Contractor;
- C. As part of Contractor's said acquisition of the ownership interest of Original Contractor, Original Contractor desires to assign all of its right and obligations under the Service Agreements to Contractor; and
- D. Contractor desires to assume the rights and obligations of the Original Contractor under the Service Agreements.


AGREEMENT

NOW THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Original Contractor and Contractor hereby agree as follows:

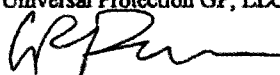
- 1. Original Contractor hereby transfers, assigns and conveys to Contractor, and its successors and assigns, all of Original Contractor's right title and interests in, to and under the Service Agreements. Original Contractor agrees and acknowledges that it shall continue to responsible to Owner for full performance of all or its obligations under the Service Agreement.
- 2. Contractor hereby accepts the assignment of the Original Contractor's interest in the Service Agreements and hereby assumes all of the obligations and liabilities of the Original Contractor under the Service Agreement applicable to the Property arising from and after the date hereof.
- 3. Notwithstanding anything to the contrary herein, with respect to services to be performed under the Service Agreements in certain states, the parties acknowledge that such services may be performed by Universal Protection Service, LLC, a Delaware limited liability company, and a wholly owned subsidiary of Transferee.
- 4. This Assignment and any matter arising out of or related to this Assignment shall be governed by the laws of California, without regard to its conflicts of laws provisions.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date stated above.

GUARDSMARK, LLC

By: 
Its: Vice-President

UNIVERSAL PROTECTION SERVICE, LP

By: Universal Protection GP, LLC, its General Partner
By: 
Its: Vice-President

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**EXHIBIT B-1
 PAYMENT PROVISIONS**

The COUNTY agrees to pay CONTRACTOR fees at the following all-inclusive hourly rates:

Period	Description	All Inclusive Hourly Rate
January-December 2018	Regular Guard Hourly Rate	\$17.17
January-December 2018	Supervisor Hourly Rate	\$17.17
January-December 2019	Regular Guard Hourly Rate	\$18.30
January-December 2019	Supervisor Hourly Rate	\$18.30
January-December 2020	Regular Guard Hourly Rate	\$19.42
January-December 2020	Supervisor Hourly Rate	\$19.42

In the event a change of law, regulation, administrative ruling, or collective bargaining agreement (“Legal Change”), effects a change in wages, worker’s compensation insurance, major medical insurance, hours, or working conditions, which in turn increases CONTRACTOR’s costs of performing the service under this Agreement, CONTRACTOR shall notify COUNTY in writing of the change in its costs and the parties shall in good faith negotiate a corresponding increase in CONTRACTOR’s rates to be paid by COUNTY. CONTRACTOR may also negotiate from time to time for an increase in its charges. If the parties are unable to agree on a rate increase, either party may terminate this Agreement upon sixty (60) days’ prior written notice. Such Legal Changes include, but are not limited to, subsequent legislation, amendments, bulletins, regulation, administrative rulings and Department of Health and Human Services interpretation of the Patient Protection and Affordable Care Act (ACA), and any further of subsequent federal or state legislative bills, amendments, regulations and administrative interpretations implementing, modifying, or interpreting requirements under the ACA, or any subsequent health care laws and regulations.