



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Scott P Johnson

SUBJECT: SEE BELOW

DATE: June 1, 2009

Approved

Christine J. Shippy

Date

4/5/09

**SUBJECT: REPORT ON RFP FOR AN AIRPORT ACCESS CONTROL SYSTEM
INCLUDING INSTALLATION, SUPPORT, AND MAINTENANCE
SERVICES**

RECOMMENDATION

Report on Request for Proposal (RFP) to expand the existing Access Control System (ACS) into the new Terminal B and the North Concourse at the Norman Y. Mineta San José International Airport, perform an assessment of the existing ACS in Terminals A and C, provide maintenance services for the entire system, and adopt a resolution authorizing the Director of Finance to:

1. Execute an agreement with Electronic Technologies Corporation, doing business as Ingersoll Rand Security Technologies (Pleasanton, CA) to expand the existing Access Control System, including all hardware, software, implementation services and the first year support and maintenance with total compensation not to exceed \$342,712, including all applicable sales taxes.
2. Execute change orders not to exceed a contingency amount of \$51,000 to cover any unanticipated changes in the system design and/or installation.
3. Execute three additional one-year options for extended maintenance and support services subject to annual appropriation of funding.

OUTCOME

Enhance Airport security and safety for passengers and employees and interface with the new Internet Protocol Television (IPTV) System.

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BACKGROUND

The Airport's Access Control System (ACS) is a computer based security system that provides continuous monitoring of all airport access points. The system distinguishes between authorized and unauthorized access badges to allow individuals access to Airport facilities as well as determining whether or not an access point has been compromised.

The existing ACS at the Airport is based on the Software House C-Cure product. Software and hardware are currently supported and maintained by RFI Communications & Security Systems. The current term of the maintenance and support agreement expires on June 30, 2009. The ACS requires on-going preventative maintenance and repairs.

As part of the Airport's Terminal Area Improvement Program (TAIP), Terminals A and C are undergoing a major upgrade and a new Terminal B and North Concourse are under construction. As a result, the existing ACS needs to be:

- 1) Expanded by adding new peripheral devices to new access points.
- 2) Upgraded.
- 3) Provided with on-going preventative maintenance on the entire system.
- 4) Integrated with the newly acquired Internet Protocol Television System.

Staff determined that the best strategy was to consolidate the ACS expansion, upgrade and maintenance services under a single contract.

ANALYSIS

Staff determined that a two phase Request for Proposal (RFP) process best achieves the City's goal to select the most advantageous proposal to perform the work for maintaining the existing software and expanding the application to the entire Airport campus.

An RFP was issued on January 16, 2009, on the City's e-procurement system. A total of twenty-four companies viewed the RFP and nine Proposers submitted the required documentation as Software House C Cure certified by the March 6, 2009 deadline. All nine Proposers met the certification requirement and were invited to participate in Phase Two of the RFP.

After completion of the Phase One pre-qualification process, the nine pre-qualified Proposers were required to attend a mandatory on site inspection of the Airport's existing access control system and were provided the opportunity to review confidential drawings of the Airport's existing ACS and the new expanded installation requirements. Six of the nine pre-qualified Proposers submitted technical proposals:

- ADT Security Services, Inc. (Pleasanton, CA)
- Diebold Information and Security Systems, LLC (Oceanside, CA)
- Edelman Corporation (Ben Lomond, CA)

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- Electronic Technologies Corporation, dba Ingersoll Rand Security Technologies or "Ingersoll Rand" (Pleasanton, CA)
- Halifax Security dba North American Video Integrated Security Technology (Pine Brook, New Jersey)
- Niscayah, Inc. (Walnut Creek, CA)

Evaluation Team: A three-member evaluation team was named with representatives from the Airport Security and Operation sections. Proposals were scored by each team member independently and discussed only in a group setting with a Purchasing representative present to facilitate all team meetings and discussions.

Technical Evaluation (50%): The technical evaluation consisted of a thorough review of each company's written proposal for management approach, technical capability, and the Proposers demonstrated experience implementing and maintaining systems similar in size and complexity to the City's requirements, as well as their preventative maintenance programs. The evaluation team evaluated and scored the written proposals against the criteria and weights defined in the RFP.

Cost Proposals (40%): Proposers were asked to provide a cost proposal for all hardware, software, installation, survey of existing ACS, professional services, training, maintenance, and support. Cost proposals were not disclosed to the evaluation team prior to the completion of the technical evaluation and oral presentations so as not to inadvertently influence technical scores.

Oral Interview/Presentations: The overall scores were tabulated to establish a short list of finalists who would be invited for oral presentations. The top four ranked Proposers, North American Video, Niscayah, Ingersoll Rand and Diebold, were invited to participate in the oral presentations.

Oral Interviews/Presentations were held to clarify responses to the RFP, to demonstrate knowledge of the City's requirements (including a detail explanation of their understanding of the project) and to introduce key personnel who would be assigned to the account. At the conclusion of the oral presentations, the scores were adjusted and finalized as appropriate.

Best and Final Offer Process (BAFO): Staff determined that a BAFO was required to finalize the hardware configuration and cost.

Local and Small Business Preference (10%): In accordance with City policy, ten percent of the total evaluation points were reserved for local and small business preference. One of the Proposers requested consideration for the local business preference. The application of the local business preference had no effect on the recommendation of the award.

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Final scores and ranks are summarized in the Table below:

Criteria	Max Points	Ingersoll Rand (Pleasanton, CA)	Niscayah, Inc. (Walnut Creek, CA)	Diebold Security (Oceanside, CA)	North American Video (Pine Brook, NJ)
Experience	25	20	19	10	14
Technical	25	21	18	9	17
Cost	40	40	34	36	24
Local/Small Preference	10	0	0	5	0
Total	100	81	71	60	55

Protest Period: The RFP process included a ten-day protest period that commenced on May 12, 2009. The protest period ended on May 22, 2009. No protests were received.

Recommendation Summary: Staff recommends award of contract to Ingersoll Rand (Pleasanton, CA) because Ingersoll Rand’s proposed solution was deemed the best value by the evaluation team. Specifically, Ingersoll Rand’s Proposal was found to be superior in the following areas:

- A comprehensive Preventative Maintenance Program.
- Demonstration of a clear understanding of the goals and integration requirements of the project.
- A proven track record and demonstrated experience in new installations and maintenance of Software House C-Cure based systems.

Summary of Agreement and Implementation Plan: The agreement provides for the maintenance of the existing ACS beginning July 1, 2009, as new elements of the system are installed. The agreement will include fixed pricing for all new installation work, survey of existing ACS, preventative maintenance and repair services, a detailed statement of work defining all deliverables, and a compensation schedule with payments contingent on the successful completion and City’s acceptance of key milestones. In addition, the agreement includes maintenance services on a time and material basis in an amount not to exceed \$50,000 for maintenance and repairs that are not included in the semi annual preventative maintenance plan. Furthermore, staff is requesting change order contingency funding of \$51,000 for system installation and design changes during Airport build out.

The agreement is subject to the Airport Living Wage Ordinance, to which the Office of Equality Assurance will ensure compliance. In their proposal, Ingersoll Rand agreed to pay the prescribed prevailing wage rates identified in the RFP document and submitted the required Employee Work Environment Questionnaire. Because Prevailing Wage rates are higher than the Living Wage rates, the Ordinance requirement will be met. Regarding other Living Wage requirements, one of the questions asked in the Questionnaire was whether the company had an employee complaint resolution procedure. Ingersoll Rand responded “yes” and provided a copy of their Employee Handbook. Ingersoll Rand was also requested, per the Ordinance requirements, to

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provide assurances of labor peace and they have provided that assurance. Ingersoll Rand is a signatory of the Sound and Communications Agreement Northern California International Brotherhood of Electrical Workers (IBEW) and thus has a collective bargaining agreement between a firm and a recognized union. The contract will include provisions regarding labor peace based on Ingersoll Rand's assurances.

EVALUATION AND FOLLOW-UP

This memo will not require any follow-up from staff.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

Although this item does not meet any of the above criteria, this memorandum will be posted on the Council Agenda for June 23, 2009.

COORDINATION

This memorandum was coordinated with the Department of Aviation, the Office of Equality Assurance, the City Manager's Budget Office, and the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This Council item is consistent with Council approved Budget Strategy Memo General Principle #2, "We must focus on protecting our vital core City services."

COST SUMMARY/IMPLICATIONS

The funding for this agreement, including the first year of maintenance service costs, is budgeted in the Airport Capital Budget. After the initial year, subsequent annual ongoing system support and maintenance and annual preventative maintenance costs are fixed at \$94,473 and will be

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subject to annual appropriation of funds. The total funding amount provides \$44,473 annually for preventative maintenance of the system and \$50,000 for time and materials repairs that may be required.

BUDGET REFERENCE

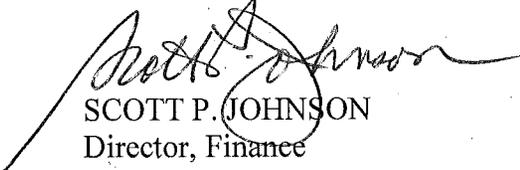
The table below identifies the fund and appropriations proposed to fund the contract recommended as part of this memorandum.

Fund #	Appn #	Appn. Name	Total Appn.	Amount for Contract	2010-2014 Proposed Operating/ Capital Budget Page*	Last Budget Action (Date, Ord. No.)
526	5253	Terminal Area Improvement, Phase I	\$4,312,000	Not to exceed \$393,700	V-690	
523	0802	Airport Non-Personal/ Equipment	\$44,539,402	Not to exceed \$94,473	XI-3	

*The 2009-2010 Capital and Operating Budget and the implementing appropriation ordinance are scheduled for approval by the City Council on June 23, 2009

CEQA

Resolutions 67380 and 71451, PP09-118


SCOTT P. JOHNSON
Director, Finance

For questions please contact Walter C. Rossmann, Chief Purchasing Officer, at (408) 535-7051.