



## THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

# EXECUTIVE SUMMARY

**TO:** Jim Scholl, City Manager

**FROM:** Doug Bradshaw, Port and Marine Services Director

**DATE:** December 13, 2016

**SUBJECT:** Approving Extension of Ralons Security, LLC Port and Marine Services Security Contract

### ACTION STATEMENT

Approval of a two year extension of Ralons Security, LLC Port and Marine Services Security Contract at the Key West Bight and Key West Bight Ferry Terminal.

Resolution #14-043 awarded Invitation to Bid (ITB) # 13-020 to Northstar Security, Inc. (Assigned to Ralons Security, LLC per Resolution #15-335) to provide security at the Key West Bight and Key West Bight Ferry Terminal. On February 11, 2014, the CRA entered into a contract for private security with Ralons Security, LLC. The contract consisted of a three (3) year term with an option to renew for two (2) years. The three (3) year term is set to expire February 10, 2017. Overall the services provided by Ralons have been excellent.

The contract allows renewal of the Agreement on the same terms and conditions, for an additional two (2) calendar year period, with an increase rate negotiated by both parties, if mutually agreed to by the parties at least sixty (60) calendar days prior to the contract expiration. Ralons has requested the following increases:

- Current rate of \$18.36 increased by 3% to \$18.91 per hour
- Less than a 12 hour notice the rate would be \$28.36 per hour (time and a half)
- Between 12 and 24 hours' notice the rate would be \$22.50 per hour

The increased rates for 24 hour or less notice by the City for security is for unscheduled ships that are diverted to Key West, on short notice, due to inclement weather, or any natural disasters. Typically Ralons staff that get assigned to the unscheduled ships have worked or are scheduled to work 40 hours on other security details and must be paid overtime.

### OPTIONS

There are three (3) options:

1. Approve the two (2) year renewal option with the rates proposed by Ralons.
2. Do not approve the rate increase and direct staff to go back out for bid.

*Key to the Caribbean – Average yearly temperature 77° F.*

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3. Direct staff to go negotiate a lower rate than what is proposed.

#### **ADVANTAGES/DISADVANTAGES**

Option 1: Allows the City to continue using Ralons for private security at the Key West Bight and Key West Bight Ferry Terminal

Option 2: Based on prior experience and lack of private security companies in the Keys, staff does not feel that this option will provide better or less expensive security than the City has with Ralons.

Option 3: While a lower rate is possible, again staff feels that the requested rate is reasonable and allows Ralons to hire and retain quality security personnel.

#### **FINANCIAL ISSUES**

The rate increase proposed had been expected and is budgeted. The total amount may change slightly based on the need of each facility or additional security requirements. Anticipated security cost for budget year 2016-2017:

- Key West Bight/Key West Ferry Terminal: \$130,000

#### **RECOMMENDATION**

The Key West Bight Board recommended approval for the contract extension and rate increase at the Key West Bight and Key West Bight Ferry Terminal at their December 14, 2016 meeting. City Staff recommends approval of the two (2) year contract extension with Ralons Security, LLC with starting date of February 11, 2017 and approval of the rate increases as proposed.