



**SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
STAFF REPORT**

Item No.  
**10**

Meeting Date: **AUGUST 4, 2011**

**Subject:**

**Approve and Authorize the President/CEO to Execute an Agreement with Network Security Electronics, Inc., (NSEI) for Access Control Maintenance and Repair Services**

**Recommendation:**

Adopt Resolution No. 2011-0089, approving and authorizing the President/CEO to execute an agreement with Network Security Electronics, Inc., (NSEI) for access control maintenance and repair services for five (5) years, which includes two (2) one-year options exercisable at the sole discretion of the President/CEO, in an amount not to exceed six million five hundred thousand dollars (\$6,500,000).

**Background/Justification:**

On September 1, 2007, following a competitive solicitation, the Airport Authority entered into Agreement 204127OS with Network Security Electronics, Inc., (NSEI) to provide upkeep, repair, and modernization for the San Diego International Airport (SAN) Security Access Control System (ACS). The Agreement had a term of three (3) years, to end on August 31, 2010, with a not-to-exceed value of \$4,500,000. As a result of an internal audit recommendation, the Agreement was amended by Board Resolution on June 3, 2010, modifying the termination date to August 31, 2011, and clarifying contract language related to mark-up on equipment purchased. As of July 15, 2011, the Authority has paid NSEI a total of \$3,751,648.99 for maintenance and repairs under the Agreement.

The ACS includes: card readers at more than 250 access points; biometric fingerprint readers; a closed-circuit television system with more than 300 cameras; digital recorders; system hardware and software; and the systems fiber that provides access control for the terminal buildings and airport perimeter. To date, NSEI has performed at a superior level in complying with the existing Agreement requirements that include maintaining minimum staffing levels, performing routine maintenance, meeting one-hour response requirements, performing additional services, and providing an outstanding quality of work.

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On June 6, 2011, the Authority issued a Request for Proposals (RFP) for Access Control System Services. Notice of the RFP was advertised in the *San Diego Daily Transcript* and on the Authority's website. Thirty-four (34) firms downloaded the RFP. The business types declared are as follows: seven (7) Small Business, eight (8) Local Business, and eighteen (18) Undeclared. Four (4) firms (NSEI, ADT, Siemens, and Tatus) attended the pre-submittal meeting held on June 21, 2011.

The services requested in the RFP include: preventive and corrective services on the Airport's access control, video surveillance, video recording, intrusion detection, and other security-related systems as mandated by regulation or necessary for the safe conduct of business. Additional services include modifications or enhancements to such systems as directed by the Authority.

On July 8, 2011, the Authority received one (1) response to the RFP. The proposal, submitted by NSEI, was determined to be responsive; and evaluated based on: Company Experience and Skill, Preventive and Corrective Maintenance Plan, Preventive Maintenance Schedule, Staffing Plan, Fees, and Small Business Preference. ADT, Siemens, and Tatus had submitted questions and attended the pre-submittal conference on June 21, 2011, but declined to submit a proposal for the following reasons:

- ADT - issued the Authority a "decline to bid" letter
- Tatus - stated that the scope-of-work was beyond their business structure
- Siemens - stated their corporate officers decided to pursue other projects

On July 15, 2011, Authority staff representing Planning and Operations, Aviation Security and Public Safety, and Airside Operations interviewed NSEI. NSEI's responses to staff's questions were responsive and indicated a clear understanding of the scope of work.

The current contract term for Agreement 204127OS ends August 31, 2011. There is an option remaining for one (1) one-year extension which may be exercised at the sole discretion of the President/CEO. With the completion of the Green Build scheduled for 2013, staff chose to solicit for a new Agreement in order to allow a smooth transition on opening day. This open solicitation demonstrated that NSEI remains the best provider to meet the unique requirements of the Authority. Therefore, staff is recommending a new contract be awarded to NSEI for three (3) years plus two (2) one-year options, exercisable at the sole discretion of the President/CEO.

### **Fiscal Impact:**

The Agreement budget is in the Aviation Security & Public Safety Department budget.

**Environmental Review:**

- A. CEQA: This Board action, as an administrative action, is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Equal Opportunity Program:**

The Authority's small business program promotes the utilization of small, local, disadvantaged, and other business enterprises, on all contracts, to provide equal opportunity for qualified firms. By providing education programs, making resources available, and communicating through effective outreach, the Authority strives for diversity in all contracting opportunities.

The Authority has a Disadvantaged Business Enterprise ("DBE") Plan as required by the Department of Transportation, 49 CFR Part 26. The DBE Plan calls for the Authority to submit an annual overall goal for DBE participation on all federally funded projects.

This project does not utilize federal funds; therefore, it will not be applied toward the Authority's overall DBE goal.

**Prepared by:**

ANGELA SHAFER-PAYNE  
VICE PRESIDENT, PLANNING AND OPERATIONS

RESOLUTION NO. 2011-0089

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH NETWORK SECURITY ELECTRONICS, INC., (NSEI) FOR ACCESS CONTROL MAINTENANCE AND REPAIR SERVICES FOR FIVE (5) YEARS, WHICH INCLUDES TWO (2) ONE-YEAR OPTIONS EXERCISABLE AT THE SOLE DISCRETION OF THE PRESIDENT/CEO, IN AN AMOUNT NOT TO EXCEED SIX MILLION FIVE HUNDRED THOUSAND DOLLARS (\$6,500,000).

WHEREAS, the Airport Authority operates San Diego International Airport (SDIA) in accordance with regulations set forth by the Transportation Security Administration (TSA); and

WHEREAS, these regulations require the Airport Authority to conduct specific activities requiring the services of a qualified access control system maintenance and repair firm; and

WHEREAS, this firm shall provide personnel, services, and equipment under contract and at the direction of the Airport Authority to execute these specific activities; and

WHEREAS, on July 15, 2011, following a competitive solicitation process, the Airport Authority began negotiations with Network Security Electronics, Inc., (NSEI) to provide access control system maintenance and repair services for the San Diego International Airport (SDIA); and

WHEREAS, the Agreement shall begin on September 1, 2011, and shall have a term of five (5) years, which includes two (2) one-year options to renew exercisable at the sole discretion of the President/CEO, and a total not-to-exceed compensation amount of six million five hundred thousand dollars (\$6,500,000).

NOW, THEREFORE, BE IT RESOLVED that the Board approves and authorizes the President/CEO to execute an agreement with Network Security Electronics, Inc., (NSEI) for access control maintenance and repair services for five (5) years, which includes two (2) one-year options exercisable at the sole discretion of the President/CEO, in an amount not to exceed six million five hundred thousand dollars (\$6,500,000).

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**BE IT FURTHER RESOLVED** that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a "project" as defined by the California Environmental Quality Act (CEQA), Cal. Pub. Res. Code §21065; and is not a "development" as defined by the California Coastal Act, Cal. Pub. Res. Code §30106.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of August, 2011, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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**TONY R. RUSSELL**  
DIRECTOR, CORPORATE SERVICES/  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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**BRETON K. LOBNER**  
GENERAL COUNSEL

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