



City Council Staff Report

From: City Manager
Report Type: CONSENT CALENDAR
Lead Department: Police

Meeting Date: August 7, 2023
Report #:2307-1797

TITLE

Approval of a General Services Contract with All City Management Services in an Amount not to Exceed \$3,920,865 Over a Five Year Term, for Crossing Guard Services; and Approval of a FY 2024 Budget Amendment in the General Fund (2/3 vote required); CEQA status - not a project.

RECOMMENDATION

Staff recommends that Council:

1. Approve and authorize the City Manager, or their designee, to execute contract C24187853, for a five-year term of August 7, 2023 through August 31, 2028, with All City Management Services, Inc., in the amount of \$3,920,865 for Crossing Guard Services; and
2. Amend the Fiscal Year 2024 budget appropriation for the General Fund (requires a 2/3rd vote) by:
 - a. Increasing the Police Department contract expense appropriation by \$168,660; and
 - b. Decreasing the Budget Stabilization Reserve by \$168,660.

EXECUTIVE SUMMARY

A request for proposal for Crossing Guard services was issued in anticipation of the current contract end date in July 2023. One vendor responded, All City Management Services, Inc.; the same vendor that is currently serving most of the cities and school districts in the region. The City is seeking to continue the Crossing Guard program by All City Management at the same limited locations throughout the City as the current contract provides for. This is a five-year contract with annual increases, on average the annual cost is \$784,000 during the contract term.

BACKGROUND

The City has historically provided for Crossing Guards for children going to and from school campuses at a number of intersections throughout the City. The Palo Alto Unified School District (PAUSD) has not financially contributed to the provision of services. The City Schools Liaison Committee is exploring the interagency collaborations between the City and PAUSD and this one

of the services that may be reviewed. The locations to be serviced are determined by Office of Transportation (OOT) via traffic and pedestrian count data collected and evaluated against the City's crossing guard warrants. Guidelines for school crossing guards were adopted and approved by Council in April 1993 (CMR: 173:93)¹. Those guidelines are incorporated into the current Contract Scope of Work (Exhibit A) and include minimum candidate hiring standards and safety guidelines around appearance and behavior while performing the duties of crossing guard. The current contract expired July 31, 2023 and was initially adopted by City Council on the consent agenda on June 25, 2018 for a not-to-exceed amount of \$3,096,779². The previous contract actual expenses fell below the authorized spending level due to shelter in place restrictions during the term. However, should all services have been rendered, the 10% contingency would have been used to accommodate and maintain appropriate minimum wage adjustments in compliance with the City municipal code.

ANALYSIS

Scope Overview

OOT determined 31 locations were to be staffed by one crossing guard each. Staffing would occur during the days PAUSD classes are held, including during summer school; 180 days per year. The Contractor and City staff establish the standards for hiring, and the Contractor recruits and hires their employees to staff the locations. Training and correction services will be provided by the Contractor according to standards mutually agreed to by the City and the Contractor. The Contractor is responsible for staffing when their staff cannot come to work their shift, and City staff and the Contractor will communicate regularly to respond to quality issues.

Procurement Process

On April 20, 2023, a notice inviting Requests for Proposal (RFP) for Crossing Guard services was posted on the PlanetBids website. The bidding period was 15 days and proposals were due May 5, 2023. A single bid was received from one qualified vendor on May 5, 2023.

Summary of Request for Proposal

Proposal Description	Crossing Guard Services
<i>Proposed Length of Project:</i>	5 yrs
<i>Number of Vendors Notified:</i>	741
<i>Number of Proposal Packages Downloaded:</i>	7
<i>Total Days to Respond to Proposal:</i>	15 calendar days
<i>Pre-Proposal Meeting:</i>	Not offered

¹ CMR 173:93 from April 1993 was not available to reference at the time of this writing.

² City Council Meeting 6/25/2018 Approval of 5-yr Crossing Guard contract with All Cities Management
<https://cityofpaloalto.primegov.com/Public/CompiledDocument?meetingTemplateId=2395&compileOutputType=>

Proposal Description	Crossing Guard Services
<i>Number of Proposals Received:</i>	1
<i>Proposal Price Range:</i>	\$3,920,779
<i>Public Link to Solicitation:</i>	https://pbsystem.planetbids.com/portal/25569/bo/bo-detail/104800

Staff has reviewed the submitted bid and recommends that the proposal of \$3,920,865, submitted by All City Management Services, Inc., be awarded according to the attached contract. No change order amount was included. The need for a change order is not anticipated and staff will seek a future contract amendment should it be required.

For reference, 2018 records indicate the previous bid process received three bids from All City Management Services, Inc., American Guard Service, Inc, and Universal Security Company with All City Management Services, Inc. being awarded. For the current process, staff reached out to other providers seeking to understand why they did not submit a response to this procurement process. Although not all responded, the responses received included feedback such as a need to provide 8 hour shifts (as opposed to the specified split shifts for morning and afternoon in the recommended contract and RFP). A change in the scope such as this to encourage a broader response is not recommended as the level of service exceeds current services and would increase the overall cost for service delivery due to increased hours. Alternatively, some agencies have opted to staff these roles with the hiring of City employees, this is not recommended as the resources needed to direct hire employees, manage the program, and the administration associated with insources this services would not be a cost effective delivery model.

Contract Cost Increases

The prior five-year contract was initially for a not-to-exceed amount of \$3,096,779 which included a 10% contingency. No amendments were required throughout the term of the contract. This new contract, for a similar scope of work, is increasing \$824,086 (27%) over the next five-years. The cost increase for the new contract can be partially attributed to an increase in labor rate (example: 2022 to 2023 increased \$25.25/hour to \$30.47/hour), as well as other business operating costs. This new contract does not account for unforeseen adjustments such as changes to the number of locations serviced or hours serviced. Staff will return to Council with amendments if needed.

FISCAL/RESOURCE IMPACT

The FY 2024 Adopted Operating Budget approved \$615,938 for the Police Department Traffic Division for Crossing Guard services. Staff recommends increasing the Fiscal Year 2024 Police Department Traffic Division operating budget by \$168,660 (\$615,513 to \$784,173) and decreasing the Budget Stabilization Reserve (BSR) by the same amount. The BSR is expected to remain at or above the Council target of 18.5% but within its target range of up to 20% of

General Fund expenses. Subsequent years of the contract are subject to appropriation of funds by the City Council through the annual budget process

STAKEHOLDER ENGAGEMENT

OOT directs the deployment of the Crossing Guards per the City's [Crossing Guard Warrant protocol](#).³ OOT and the Police Department develop the standards, and the Police Department monitors the contract with assistance from OOT. Should additional guards be needed for unforeseen circumstances, the City can ask for a cost sharing agreement with the PAUSD to account for additional funding needs.

ENVIRONMENTAL REVIEW

This activity is not a project under California Environmental Quality Act (CEQA) as defined in CEQA Guidelines, section 15378, because it has no potential for resulting in either a direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS

Attachment A: All City Management Services Contract, C24187853

APPROVED BY:

Andrew Binder, Police Chief

³Palo Alto Crossing Guard Warrant: <https://www.cityofpaloalto.org/civicax/filebank/documents/55662>