City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:

Matthew J. Fertal

From: Kevin J. Raney

Dept:

City Manager

Dept:

Police

Subject:

APPROVAL OF AGREEMENT WITH ALL

Date:

June 25, 2013

CITY MANAGEMENT SERVICES, INC.

FOR CROSSING GUARD SERVICES

OBJECTIVE

To respond to the request of the City Council at the June 11, 2013 City Council meeting for staff to provide additional information regarding options for crossing quard services.

DISCUSSION

Staff conducted extensive online research in an attempt to identify other companies that might be available to provide crossing guard services in the City. No additional options for Southern California were uncovered.

Staff obtained crossing quard surveys conducted by other law enforcement agencies, which all confirm that All City Management Services (ACMS) is essentially the sole provider of these services in this area.

Staff contacted the current provider, ACMS, and asked for the name(s) of competitors; their reply was that American Guard Service (AGS) is their only "competitor." AGS' primary business is providing private security guard services. ACMS is the only company in the nation that specifically and exclusively provides school crossing guard services.

On June 12, 2013, staff contacted AGS to request a cost quote, for comparison with the current contract with ACMS. Staff spoke with Roger Flores of AGS and requested he provide the information. At that time, Mr. Flores mentioned that his company provides crossing guard services in the cities of Bell, Maywood and San Juan Capistrano.

As of the date of this report, staff has received no response from AGS to the request for a price quote nor has staff been contacted in any manner by anyone from AGS.

Staff research reveals that all three cities first contracted with AGS in 2010 as a result of dire financial circumstances, not due to dissatisfaction with services

APPROVAL OF AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR CROSSING GUARD SERVICES June 25, 2013 Page 2

provided by ACMS. On the contrary, San Juan Capistrano staff recommended the contract with ACMS be renewed. In evaluating the bids, the ACMS hourly rate was, in fact, four percent lower than AGS, however AGS agreed to provide less staffing during the school day, thus reducing the overall cost of the contract. Therefore, San Juan Capistrano selected AGS.

RECOMMENDATION

In view of the fact that AGS has not responded to the request for a price quote and the fact that the most recent price comparison in San Juan Capistrano resulted in a lower hourly rate for ACMS over AGS, staff recommends that the City Council approve the agreement with ACMS as set forth on the attached agenda report from June 11, 2013.

KEVIN J. RANEY

Chief of Police

By: Courtney Allison

Police Fiscal Analyst

Attachment 1: June 11, 20

June 11, 2013, All City Management Services staff report and

agreement

Recommended for Approval

Matthew Fertal City Manager

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:

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Subject:

APPROVAL OF AGREEMENT WITH

Date:

June 11, 2013

ALL CITY MANAGEMENT

SERVICES, INC. FOR CROSSING

GUARD SERVICES

OBJECTIVE

To seek City Council approval to renew the agreement with All City Management Services, Inc. (ACMS) to provide crossing guard services in the City of Garden Grove.

BACKGROUND

Since being awarded the crossing guard contract in August 1999, ACMS has provided the City with excellent service. They have addressed any concerns raised by the principals of our local school sites, and have handled these problems efficiently and with little City staff time. When crossing guards have been unable to staff their posts due to illnesses or other emergency situations, ACMS has been able to quickly find replacements for their school sites -- usually by the day's next shift.

In mid-2012, the City and Garden Grove Unified School District (GGUSD) administrators jointly conducted a thorough review and evaluation of all crossing guard sites. Due to infrastructure improvements at numerous school crossing locations, it was mutually agreed upon by the City, GGUSD and ACMS that the number of school crossing guard locations could be reduced. A new contract reflecting the updated crossing guard locations became effective September 1, 2012 and expires June 30, 2013.

DISCUSSION

The term of the agreement with ACMS will be for a period of one (1) year, with an option to extend the agreement for an additional three (3) years, for a total of four (4) years. Option years will be exercised one (1) year at a time, at the sole option of the City. The ACMS hourly billing rate will remain Fourteen Dollars and Twenty-Five Cents (\$14.25) per hour, not to exceed a total of \$185,000 for fiscal year 2013-14.

APPROVAL OF AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR CROSSING GUARD SERVICES June 11, 2013 Page 2

FINANCIAL IMPACT

The funding for the contract for ACMS crossing guard services is currently part of the Police Department's General Fund allocation. There will be no additional burden on the General Fund.

RECOMMENDATION

It is recommended that the City Council:

- Approve the agreement with All City Management Services, Inc. for crossing guard services for the period of July 1, 2013 through June 30, 2014, with an option to extend for an additional three (3) years; and
- Authorize the City Manager to execute the agreement, and make minor modifications as appropriate thereto.

KEVIN J. RANEY

Chief of Police

By: Courtney Allison

Police Fiscal Analyst

Attachment: Amendment No. 1

Recommended for Approval

Matthew Fertal City Manager

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT	is	made this_	day of		_, 20	013, b	y the CITY OF
GARDEN GROVE,	а	municipal	corporation,("CITY")	and	All	City	Management
Services, Inc. here	in	after referi	red to as "CONTRACTO	OR″⊾		_	-

RECITALS

The following recitals are a substantive part of this Agreement:

- 1. This Agreement is entered into pursuant to Garden Grove Council authorization dated ______.
- 2. CITY desires to utilize the services of CONTRACTOR to provide Crossing Guard Services for seventeen (17) school locations within the Garden Grove Unified School District.
- 3. CONTRACTOR is qualified by virtue of experience, training, education and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1. <u>Term and Termination</u>. The term of the agreement shall be for the period of July 1, 2013 through June 30, 2014, with an option to extend said agreement for an additional three (3) years, for a total of four (4) years. Option years will be exercised one (1) year at a time, at the sole option of the CITY. This agreement may be terminated by the CITY without cause, by giving a thirty (30) day written notice of termination. In such event, the CITY will compensate CONTRACTOR for work performed to the date of termination. Contractor is required to present evidence to support performed work.
- 2. <u>Services to be Provided</u>. The services to be performed by CONTRACTOR shall consist of tasks as set forth in the Proposal. The Proposal is incorporated herein by reference (Attachment A). The Proposal and this Agreement do not guarantee any specific amount of work.
- 3. <u>Compensation</u>. CONTRACTOR shall be compensated as follows:
 - 3.1 <u>AMOUNT</u>. Total Compensation under this agreement shall not exceed (NTE) amount of One Hundred Eighty Five Thousand dollars (\$185,000) per year, payable in arrears and in accordance with Proposal (Attachment A).

- 3.2 <u>Payment</u>. For work under this Agreement, payment shall be made per invoice for work completed. For extra work not a part of this Agreement, a written authorization by CITY will be required, and payment shall be based upon schedule included in Proposal (Attachment A).
- 3.3 <u>Records of Expenses</u>. CONTRACTOR shall keep complete and accurate records of all costs and expenses incidental to services covered by this Agreement. These records will be made available at reasonable times to CITY.
- 3.4 <u>Termination</u>. CITY shall have the right to terminate this agreement, without cause, by giving thirty (30) days written notice of termination. If the Agreement is terminated, then the provisions of paragraph 3 would apply to that portion of the work completed.

4. Insurance Requirements.

- 4.1 COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance.
- 4.2 <u>WORKERS COMPENSATION INSURANCE</u>. For the duration of this Agreement, CONTRACTOR and all subcontractors shall maintain Workers Compensation Insurance in the amount and type required by law, if applicable. The insurer shall waive its rights of subrogation against the CITY, its officers, officials, agents, employees, and volunteers.
- 4.3 <u>INSURANCE AMOUNTS</u>. CONTRACTOR shall maintain the following insurance for the duration of this Agreement:
 - (a) Commercial general liability in an amount not less than \$1,000,000 per occurrence; (claims made and modified occurrence policies are not acceptable); Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
 - (b) Automobile liability in an amount not less than \$1,000,000 combined single limit; (claims made and modified occurrence policies are not acceptable); Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

CONTRACTOR has executed the Request for Exemption from Providing Automobile Liability Coverage, attached hereto as Attachment "_____" and incorporated herein by this reference, and represents that it is does not drive to or from the City of Garden Grove, for any reason, as part of the fulfillment of the services to be provided under this contract.

An Additional Insured Endorsement, **ongoing and completed operations**, for the policy under section 4.3 (a) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to city's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for automobiles owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.

- 5. **Non-Liability of Officials and Employees of the City.** No official or employee of CITY shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount, which may become due to CONTRACTOR.
- 6. **Non-Discrimination.** CONTRACTOR covenants there shall be no discrimination against any person or group due to race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry, in any activity pursuant to this Agreement.
- 7. <u>Independent Contractor</u>. It is agreed to that CONTRACTOR shall act and be an independent contractor and not an agent or employee of the CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.
- 8. <u>Compliance with Law</u>. CONTRACTOR shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government.

- 9. **Notices.** All notices shall be personally delivered or mailed to the below listed address, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process.
 - a. (CONTRACTOR)
 All City Management Services, Inc.
 10440 Pioneer Blvd., Suite #5
 Santa Fe Springs, CA 90670
 ATTENTION: Baron Farwell (General Manager)
 - b. (Address of City Purchasing)
 City of Garden Grove
 11222 Acacia Parkway
 Garden Grove, CA 92840

(with a copy to): Garden Grove City Attorney 11222 Acacia Parkway Garden Grove, CA 92840

- 10. **CONTRACTOR'S PROPOSAL.** This Agreement shall include CONTRACTOR'S proposal or bid which shall be incorporated herein by reference. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.
- 11. <u>Licenses, Permits, and Fees</u>. At its sole expense, CONTRACTOR shall obtain a Garden Grove Business License, all permits, and licenses as may be required by this Agreement.
- 12. Familiarity with Work. By executing this Agreement, CONTRACTOR warrants that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the facilities, difficulties, and restrictions of the work under this Agreement. Should Contractor discover any latent or unknown conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY of this and shall not proceed, except at CONTRACTOR'S risk, until written instructions are received from CITY.
- 13. <u>Time of Essence</u>. Time is of the essence in the performance of this Agreement.
- 14. <u>Limitations Upon Subcontracting and Assignment</u>. The experience, knowledge, capability, and reputation of CONTRACTOR, its principals and employees were a substantial inducement for CITY to enter into this Agreement. CONTRACTOR shall not contract with any other entity to perform the services required without written approval of the CITY. This Agreement may not be assigned voluntarily or by operation of law, without the prior written approval of CITY. If CONTRACTOR is permitted to subcontract any part of this Agreement, CONTRACTOR shall be responsible to CITY for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship between

any subcontractor and CITY. All persons engaged in the work will be considered employees of CONTRACTOR. CITY will deal directly with and will make all payments to CONTRACTOR.

- 15. <u>Authority to Execute</u>. The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.
- 16. **Indemnification.** CONTRACTOR agrees to protect, defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of, or in any way connected with performance of the Agreement by CONTRACTOR, CONTRACTOR'S agents, officers, employees, subcontractors, or independent contractors hired by CONTRACTOR. The only exception to CONTRACTOR'S responsibility to protect, defend, and hold harmless CITY, is due to the sole negligence of CITY, or any of its elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONTRACTOR.

SIGNATURES ON FOLLOWING PAGE

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IN WITNESS THEREOF, these parties have executed this Agreement on the day and year shown below. "CITY" Date: _____ CITY OF GARDEN GROVE City Manager ATTESTED: City Clerk Date: _____ "CONTRACTOR" All City Management Services, Inc. Name: _____Baron Farwell_____ Title: ____General Manager_____ Date: 6-5-Tax ID No. 95-397/517 If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY. APPROVED AS TO FORM: Garden Grove City Attorney

ATTACHMENT A



ALL CITY MANAGEMENT SERVICES

March 8, 2013

Courtney Allison, Police Fiscal Analyst City of Garden Grove 11222 Acacia Parkway Garden Grove, CA 92840

Dear Courtney Allison:

It is once again the time of the year when many agencies are formulating their budgets for the coming fiscal year. Toward that end, please allow this letter to serve as confirmation of our interest in extending our agreement with the City of Garden Grove for Crossing Guard Services through the 2013-2014 fiscal year.

All City Management Services (ACMS) is keenly aware of the difficult economic times faced by many of our clients. Many Agencies continue to reassess their budgets against the need to maintain critical services and provide for public safety.

In light of these circumstances ACMS has placed a price freeze on our billing rate for the coming 2013-2014 fiscal year for the City of Garden Grove. The hourly billing rate will remain at Fourteen Dollars and Twenty-Five Cents (\$14.25) per hour.

To facilitate the calculation of the annual cost of your Crossing Guard program we have developed and included with this letter a Client Worksheet. This Worksheet is our best estimation of the hours and cost of your program as it exist currently.

We look forward to another safe and successful school year. If you have any questions, please feel free to contact us.

Sincerely

Demetra Farwell, Corporate Secretary

All City Management Services Inc. Client Worksheet 2013 - 2014

Department:

4201

Current Rate:

\$14.25

Percent Increase

New Rate

Price Freeze:

PF

Courtney Allison, Police Fascal Analyst

City of Garden Grove

11222 Acacia Parkway

Garden Grove, CA 92840

KEY:

Traditional Calendar:

For sites with no regularly scheduled early release days, use 180 regular days

For sites with one regularly scheduled early release day/week, use 144 regular days and 36 minimum days

Year Round Calendar

For schools with no regularly scheduled early release days, use 240 regular days

For schools with one regularly scheduled early release day/week, use 192 regular days and 48 minimum days

Summer School

For schools with Summer School sessions use 19 days

Sites with traditional calendar:

		56	180		\$14.25	\$143,640.00
15	sites with no early release:	Total Hrs/day	X days/yr	X	Hourly Billing Rate	
						-
		4	180		\$14.25 =	\$10,2
2	sites with no early release:	Total Hrs/day	X days/yr	X	Hourly Billing Rate	
						•
		5	180		\$14.25 =	\$12,825.00
1	sites with no early release:	Total Hrs/day	X days/yr	X	Hourly Billing Rate	
~	To Jones		,			
Sites v	with year round calendar:					
			240		\$14.25 =	\$0.00
	sites with no early release:	Total Hrs/day	X days/yr	X	Hourly Billing Rate	
						
			192		\$14.25 =	\$0.00
	sites with one early release:	Total Hrs/day	X days/yr	X	Hourly Billing Rate	
***************************************		•				·
			48		\$14.25 =	\$0.00
	early release days for sites abo	ve: Total Hrs/day	X days/yr	X	Hourly Billing Rate	
7	School Sites					
<u>Sum n</u>	ner School Sites					
		4	18		\$14.25 =	\$1,026.00
1	sites for summer school::	Total Hrs/day	X days/yr	X	Hourly Billing Rate	·
FOT A	L PROJECTED HOURS	11772	ΤΟΤΔΙ Δ	NNIIA	L PROJECTED COST	\$167.751.00

FOTAL PROJECTED HOURS

11772

TOTAL ANNUAL PROJECTED COST

\$167.751.00

NOTES: Reduction in sites and switched to hourly 8/2012