



PUBLIC WORKS DEPARTMENT

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CITY COUNCIL STAFF REPORT

Date: May 19, 2026

Subject

Authorization of second amendment to agreement 311 with All City Management Services, Inc. to continue crossing guard services, increasing contract by \$860,000 (\$420,000 for FY 26-27, \$440,000 for FY 27-28), for a total not to exceed amount of \$2,548,879.04 and extending the agreement term to June 30, 2028.

Recommended Action

Authorize the City Manager to execute a Second Amendment to the Agreement 311 with All City Management Services, Inc. (ACMS) to continue to provide Crossing Guard Services, increasing the contract amount by \$860,000 (\$420,000 for FY 26-27, \$440,000 for FY 27-28) for a total not to exceed amount of \$2,548,879.04 and extending the agreement term to June 30, 2028 (Attachment A).

Executive Summary

The proposed second amendment to agreement 311 with ACMS will extend the existing crossing guard agreement for a period of two years, from July 1, 2026, through June 30, 2028, allowing the City to continue to provide crossing services at 16 locations citywide. The agreement may be terminated by the City at any time during the extension term, with or without cause.

Background

The City has contracted with vendors to provide school crossing guard services at intersections throughout the City of Cupertino. The guards typically work the morning school drop-off and afternoon school pick-up times, with hours that vary depending on intersection, schools served, and day of the week. Guard locations are determined through warrant studies that are conducted typically every two years, and which are based on usage and traffic patterns at the intersections. The most recent warrant study was completed in 2024, with the next study anticipated for the Fall 2026. The Cupertino Union School District (CUSD) and the Fremont Union High School District (FUHSD) are kept informed regarding the results of warrant studies and are included in the final determination for crossing guard locations.

In August 2021, after the City conducted an RFP solicitation, the City Council awarded an agreement with ACMS to provide school crossing guard services at 16 locations in the City of Cupertino for a period of three years. On June 18, 2024, City Council authorized a first amendment to the agreement, increasing the contract amount by \$785,000 for a total not-to-exceed amount of \$1,688,879.04 and extending the agreement term to June 30, 2026. The first amendment also provided an option to renew the contract for two years thereafter.

In December 2025, staff initiated discussions with ACMS to negotiate contract pricing for the two-year extension of the contract. Contract negotiations resulted in a successful agreement on a billing rate of \$42.70/hour for the 2026/27 school year and \$44.20/hour for the 2027/28 school year. At this time, ACMS is the sole contractual provider of crossing guard services in the region. There is no change in service level being considered with the amendment.

Reasons for Recommendation and Available Options

Over the past five years, ACMS has met all contract expectations of performance, and has been very responsive to staff and community feedback and adjustments of school bell schedules. The proposed pricing provides for a 3% cost-of-living increase annually, allowing ACMS to continue to draw and retain qualified staff.

Not approving the second amendment to the agreement will result in a lapse in crossing guard services for the 2026/27 school year.

Sustainability Impact

This contract encourages walking and bicycling by providing safer passage across streets for students traveling to school. This is consistent with both the Mobility Element of the General Plan, Goal M-3 (“Support a Safe Pedestrian and Bicycle Network for People of All Ages and Abilities”) and Measure C-T-1 of the Climate Action Plan (“Encourage multi-modal transportation, including walking and biking, through safety and comfort enhancements in the bicycle and pedestrian environment.”). Furthermore, students walking and bicycling to school reduces traffic congestion, which leads to reduced vehicle emissions, helping the City achieve air quality and greenhouse gas emission reduction goals.

Fiscal Impact

The Fiscal Year (FY) 25-26 Adopted Budget allocated \$405,000 for Crossing Guard Contract Services (100-88-846 700-709).

The negotiated crossing guard program cost, based on approximately 9,078 annual hours under the current school bell schedule and guard staffing hours, is \$387,620 in FY 26-27 (hourly rate of \$42.70 a 3% increase) and \$401,061 in FY 27-28 (hourly rate of \$44.20, a further 3.5% increase). To provide flexibility for potential adjustments to guard staffing hours due to changes in the school bell schedule, adjustments based on field observations or the warrant studies, staff recommends not-to-exceed amounts of \$420,000 in FY 26-27 and \$440,000 in FY 27-28. Staff has included the \$420,000 contract amount in the proposed FY26-27 base budget for this program. In FY 27-28 staff will include the increase of an additional \$20,000 to the base budget for a total of \$440,000 for this program.

On June 7, 2022, the City entered into a five-year agreement with CUSD and FUHSD, whereby each agreed to contribute \$20,000 per year to the City to help fund crossing guard services. This \$40,000 in revenue is estimated to partially offset the City's net general fund costs of approximately \$380,000 in FY 26-27 and \$400,000 in FY 27-28.

Considering the increasing cost of crossing guard services, staff will be engaging with CUSD and FUHSD to discuss additional cost-sharing options to help offset future increases before the current agreement expires.

City Work Program (CWP) Item/ Description:

N/A

Council Goal:

Quality of Life and Transportation

California Environmental Quality Act

No California Environmental Quality Act impact.

Prepared by: David Stillman, Transportation Manager

Reviewed by: Chad Mosley, Director of Public Works

Floy Andrews, Interim City Attorney

Approved for Submission by: Tina Kapoor, City Manager

Attachments:

A – Draft Second Amendment to the Agreement with All City Management Services, Inc.