



ALL CITY MANAGEMENT SERVICES

September 12, 2016

City of Cupertino
Roger Lee
Assistant Director of Public Works
10555 Mary Ave. Cupertino, CA 95014

Dear Mr. Lee:

As you are aware ACMS has been experiencing ongoing difficulty sourcing and retaining Crossing Guards in support of your program. Turnover has increased unexpectedly as our employees leave to pursue other higher waged part time employment in and around the City of Cupertino.

The labor market in the Silicon Valley has tightened considerably due to a variety of economic factors. This decline in available labor has resulted in a significant increase in wages. Our review of neighboring municipalities reflects that Crossing Guard wages have increased dramatically. I have outlined a few neighboring cities as examples below;

Sunnyvale	\$15.36	San Jose	\$19.11
Campbell	\$16.00	Santa Clara	\$15.11

As you are aware, we had previously requested a price increase in July of this year to \$18.93 which would allow us to raise crossing guard wages from their then current rate of \$10.00 per hour effective with the new school year August, 2016.

While the City reviewed our request, ACMS management made a decision to fund increasing guard wages to demonstrate our commitment to your program. As a result we were able to begin the 2016/17 school year with a fully staffed program of 16 guards. We will maintain that staffing level throughout the school year.

Given the potential of the City of Cupertino implementing a new municipal minimum wage we are additionally requesting the following increases in compensation. We are basing this pricing upon our assessment that we will need to be above the City's planned minimum wage (\$12.00 for 2017 / \$13.50 for 2018) to recruit and retain qualified employees for this very important role in community safety:

January 1, 2017	\$20.29
January 1, 2018	\$22.60

We are of course hopeful that the City will help us by approving our request for increased compensation.

With the exception of further State of California and/or additional local municipality mandatory increases in wages or benefits, ACMS does not anticipate additional requests for increases in pricing.

Pedestrian safety and client satisfaction are the key elements of our mission. We are committed to honoring our agreement with the City of Cupertino. Our 30 year reputation as the leader in this industry is extremely important to us.

We appreciate your consideration of our request. If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Harlan Sims", with a stylized flourish at the end.

Harlan Sims
Director of Marketing
harlan@thecrossingguardcompany.com