



PUBLIC WORKS DEPARTMENT

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CUPERTINO.ORG

April 23, 2020

David Mecusker, Contracts Administrator & Marketing Associate
All City Management Services, Inc.
10440 Pioneer Blvd., Suite 5
Santa Fe Springs, CA 90670

Re: Crossing Guard Contract Extension Through June 2021

Dear Mr. Mecusker,

In 2015 the City of Cupertino solicited competitive bidding for contractors to provide crossing guard services at various school locations throughout the City. Upon two competitive bidding processes All City Management Services, Inc. was considered to be the lowest responsive bidder. Based on your bid received July 30, 2015, the City Council authorized for award and All City Management Services, Inc. began providing service to the City with the start of the 15/16 school year. The term of this agreement was three years with the option to extend for an additional two years. Due to the good performance of All City Management Services, Inc. in providing crossing guard services to the City, on March 20, 2018, the City exercised the option to extend the agreement through June 2020.

Under normal circumstances, as the current contract approaches its termination date, the City would solicit competitive bidding for contractors for the next round of crossing guard services. However, the global COVID-19 pandemic has rendered business and the economy unstable. Due to the unfavorable climate for soliciting competitive bids, the City desires to extend the contract for an additional year, through June 30, 2021.

Please refer to paragraph 3.1 Contract Time of the agreement. This extension will be subject to the same provisions as the original agreement as amended on October 4, 2016, including an increase or decrease in compensation paid to All City Management Services, Inc. Specifically, the amendment states that, any such renewal shall contain the same provisions as the original agreement with compensation adjustments limited to actual changes in minimum wage requirements plus 31.5% labor burden added.

Minimum wage in Cupertino is \$15.35/hr for the 2020 calendar year. All City Management Services Inc. has proposed a billing rate of \$23.04, based on the calculation below, which the City agrees to through December 31, 2020.

New Minimum Wage	-	Prior Minimum Wage	=	Difference in Minimum Wages	*	1.315 Labor Burden	=	Billing Differential	+	Prior Billing Rate	=	New Billing Rate
\$15.35	-	\$15.00	=	\$0.35	*	1.315	=	\$0.46	+	\$22.58	=	\$23.04

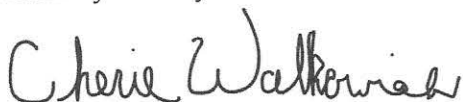
Cupertino's minimum wage rate may be adjusted effective January 1st, 2021. In the event of an adjustment, a new billing rate will be determined for services rendered between January 1, 2021 and June 30, 2021, using the formula above. If the minimum wage remains unchanged, the billing rate specified above will remain constant through the end of the contract period.

Cupertino's 2021 minimum wage rate will be announced on the City's website by October 1, 2020, or as soon as practicable thereafter if the Consumer Price Index for August has not yet been published. Once the billing rate for 2021 has been established, the City will notify All City Management Services, Inc.


By signing and returning this original document, All City Management Services, Inc. is agreeing to this one-year extension per the original terms of the 2015 Contractual Crossing Guard Services (rebid) - Project No. 2015-25 and as amended by the first amendment dated October 4, 2016.

Thank you for your service.

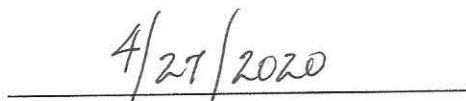
All City Management Services, Inc.



Cherie Walkowiak
Safe Routes to School Coordinator


Signature


Print Name


Date

Enclosures

cc: Crossing Guard Locations SY2020-21
Compliance with COVID-19 Health Orders in Cupertino