

Agenda Report

July 28, 2014

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Human Services and Recreation Department

SUBJECT: AUTHORIZE THE CITY COUNCIL TO RATIFY \$83,882 FOR SERVICES PAID FROM AUGUST 1, 2013 THROUGH JANUARY 2014 TO ALL CITY MANAGEMENT SERVICES (ACMS), RETROACTIVELY PAY \$75,077 FOR SERVICES PROVIDED FEBRUARY THROUGH MAY 2014 AND APPROVE AN AGREEMENT TO JANUARY 30, 2015 TO PROVIDE CROSSING GUARD SERVICES TOTALING \$86,075, FOR A TOTAL NOT TO EXCEED \$245,034

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed amendment to contract number 19659 with All City Management Services (ACMS) is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines Section 15061(b)(3) General Rule; and
2. Ratify the \$83,882 paid to ACMS from August 1, 2013 through January 30, 2014 after the contract expired on June 30, 2013;
3. Authorize the City Manager to retroactively amend contract number 19659 with ACMS for crossing guard services from the period of July 1, 2013 to January 30, 2015 for a total amount not to exceed \$245,034, which includes the \$83,882 paid for in FY 14. Competitive bidding is not required pursuant to Section 1002(F) of the City Charter, contracts for professional or unique services; and
4. To the extent this transaction could be considered a separate procurement subject to competitive selection, grant the proposed contract amendment with ACMS an exemption from the Competitive Selection process pursuant to

Pasadena Municipal Code Section 4.08.049(B), contracts for which the City's best interests are served.

BACKGROUND:

Since 1998, the City of Pasadena has funded crossing guard services for the Pasadena Unified School District at various school sites to promote safety on streets near designated elementary schools throughout Pasadena.

On June 23, 2008, the City Council authorized the contract with All City Management Services (ACMS) to provide crossing guard services for a period of one year not to exceed \$170,000. The contract allowed for up to four additional one year extensions subject to the approval of the City Manager.

In August, 2012, the contract was extended for the fourth and final optional extension period. The contract terminated on June 30, 2103; nevertheless, staff continued to engage ACMS for services. ACMS continued to invoice the City as it had done during the contract period; these invoices were approved by the Human Services and Recreation Department and processed by the Finance Department for payment.

This past February, the lack of a valid contract was identified as an issue. By that time, staff had processed payments totaling \$83,882 beyond the expiration date of the agreement. Another \$75,077 in invoices for services has been received but remains unprocessed pending approval of this staff recommendation. Staff was directed to take the necessary steps to establish a new contract; however, this work was not completed in a timely fashion.

When the contract was initially established, no bids for service were solicited from other potential crossing guard service providers, after surveys were conducted of several neighboring cities. Staff established that these cities either provide these services directly or contract with ACMS. At the time of the survey, ACMS was the only qualified provider in the region in the provision of crossing guard services. However, given the timing of the last survey, and the possible emergence of new service providers, staff intends to engage in competitive selection in the future.

Staff is requesting that the City Council authorize the retroactive amendment to the contract from the period beginning July 1, 2013 until January 30, 2015, thereby ratifying the payments made after July 1, 2013, providing authorization to process the current outstanding invoices and ensuring there is no disruption of public safety until such time as staff can undertake a competitive selection process to identify other potential service providers and establish a new contract covering multiple years. For these reasons, staff recommends the Council find the proposed contract amendment to be exempt from the competitive selection process as a contract for which the City's interests are best served, pursuant to Pasadena Municipal Code Section 4.08.049(B).

In order to avoid similar occurrences in the future, where invoices are processed against contracts that have lapsed and/or exhausted their funding, the Finance Department will be implementing controls within the City's financial software system's Accounts Payable module which will flag such items and prevent the processing of payments which fall outside contract parameters. Additionally, as it relates to contract management within the Human Services and Recreation Department, the Department will be centralizing all contract management and invoice processing within its Administrative Section under a newly hired Management Analyst.

COUNCIL POLICY CONSIDERATION:

The contract furthers City Council's strategic plan goals of ensuring public safety, promoting quality of life, and improving mobility and accessibility throughout the City of Pasadena.

ENVIRONMENTAL ANALYSIS:

This project is exempt from CEQA review pursuant to State CEQA Guidelines Section 15061(b) 3. This contract is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to the provisions of CEQA.

FISCAL IMPACT:

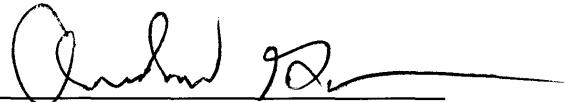
The total cost of this action is \$245,034. A total of \$83,882 was paid during Fiscal Year 2014. The remaining \$75,077 of unpaid invoices will be accrued and also applied to the Fiscal Year 2014. Funding for services through January 2015 totaling \$86,075 is included in the 2015 Adopted Fiscal Year Budget (account 8114-101-64450).

Respectfully submitted,



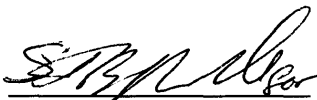
MERCY SANTORO
Director of Human Services and
Recreation

Concurred by:



ANDREW GREEN
Director of Finance

Approved by:



MICHAEL J. BECK
City Manager