



Administrative Report

N.2., File # 25-1013

Meeting Date: 8/12/2025

To: MAYOR AND CITY COUNCIL
From: JOE HOFFMAN, CHIEF OF POLICE

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING AN AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC. FOR CROSSING GUARD SERVICES IN AN AMOUNT NOT TO EXCEED \$138,158 AND THE TERM AUGUST 5, 2025 TO JUNE 30, 2026

EXECUTIVE SUMMARY

The proposed agreement with All City Management Services, Inc. (ACMS) would, if approved, provide supplemental crossing guard services in the City of Redondo Beach for the coming school year. Specifically, the agreement would provide contract staffing, each day, for five (5) of the 27 funded crossing guard locations in the City. Crossing guards provide a valuable service in the community by helping ensure safety for the pedestrian community and students who walk to and from Redondo Beach schools. The previous Agreement with ACMS expired on June 30, 2025. Included in the background section of the report, is information from the City Attorney's Office regarding changes in the agreement's indemnity language that have been proposed by the contractor that should be discussed prior to the Council's consideration of approval.

BACKGROUND

On August 3, 2021, the Redondo Beach City Council approved a pilot-program to utilize ACMS for supplemental crossing guard services. The Agreement enhanced the Police Department's Crossing Guard program by adding ACMS crossing guards to supplement the City-employed crossing guards.

The Crossing Guard Program is managed by the Special Operations Bureau of the Police Department. Twenty-seven (27) crossing guard locations have been funded in the City's Budget to assist in guiding community members and students across streets, which can become highly trafficked by motorists and bicyclists during peak travel times. Twenty-two (22) of the 27 locations are staff by City-employed crossing guards. The remaining five locations are covered by ACMS personnel.

The proposed agreement with ACMS includes an hourly rate for crossing guards that has increased year-over-year from \$36.78 per hour in 24-25 to \$37.81 per hour in 25-26. ACMS has indicated that there may be times when they are unable to provide staffing for all five locations. On those occasions, the City would only be charged for the crossing guards that are actually provided, which would result in savings against the estimated annual cost of \$138,158. Locations that cannot be staffed by ACMS would be filled using available Police Department resources on a temporary basis.

Important to note, is that ACMS has requested modifications to the indemnity provision in the City's standard agreement. The indemnity language in the City's typical agreement provides for contractors to defend, protect, indemnify and hold the City harmless from all claims arising out of contractors' performance under the agreement except for such loss or damage caused by the sole negligence or willful misconduct of the City. This means that contractors are required to defend the City, indemnify the City, and hold the City harmless from all claims even if the City is partially at fault. ACMS is requesting, among other things, that the word "sole" be deleted. This means that ACMS would defend, indemnify and hold the City harmless only if the City is completely faultless. Further, ACMS makes it clear that liability would be apportioned between ACMS and the City based on each party's fault, i.e., a comparative negligence standard. ACMS further limits its' indemnification obligation to the City to \$6,000,000.

ACMS's counsel indicated the company is seeking a comparative negligence standard in its' agreements because of an incident that occurred in the City of Anaheim wherein ACMS was required to pay approximately \$9,000,000 as a result the incident. ACMS's counsel also indicated that ACMS would provide a list of cities that have agreed to the comparative negligence standard. City staff have not yet received the discussed list. In order to best protect the City, the City Attorney's Office does not recommend capitulating to the requested modifications. However, indemnity provisions cannot be assessed from a purely legal standpoint. Indemnity provisions have economic and service consequences and therefore, must be assessed as a business decision. This issue is presented to the City Council for discussion and direction.

COORDINATION

The Police Department coordinated with the City Attorney's Office to prepare the drafted Agreement.

FISCAL IMPACT

Funding for the agreement was included in the Police Department's FY 2025-26 Budget as part of Decision Package #43.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - All City Management Services, Inc.
- Insurance - All City Management Services, Inc.
- Decision Package #43 - FY 2025-26