



## WORKSESSION MEMO

**Date:** February 10, 2015  
**To:** City Council  
**From:** Bryan Montgomery, City Manager  
Paul Abelson, Finance Director  
**SUBJECT:** **Worksession and update regarding the ongoing Police Services Study**

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### **Background and Analysis**

The ongoing police services study was undertaken to determine how to best position the City in providing for the long-term delivery of police services. Over the past year, Staff has been taking a measured and deliberate approach to gathering the necessary data, and exploring the options and opportunities that may be available regarding the very complex and critical delivery of police services. Our goal is to present a comprehensive, actionable analysis offering you the opportunity to evaluate and decide how to best proceed with the long-term delivery of these very critical services.

A Powerpoint presentation will be made at the City Council Meeting to provide further detail and to encourage questions and comments from the Council and the public, but here are the basic action items that have been a part of the ongoing Police Services Study:

- 1. Defined the Objective:** The goal of the Study was to determine whether the City may be able to provide equal or improved police services at a lower cost than under the current County contract arrangement.
- 2. Met and conferred with the Sheriff and other County officials:** the purpose of the meetings and other communications was to reassure the Sheriff of our continued satisfaction with the quality of services provided, but that the costs of the services were increasingly becoming a serious concern.
- 3. Conducted a survey of other police departments:** we surveyed 27 other police agencies and identified how these agencies were providing (in-house or by contract) over 30 components of the police

services function. Some of these components include staffing, records, training, recruitment and selection, investigations, dispatch, property/evidence, forensics, fleet maintenance, etc. In the process we identified a number of third-party providers for these services.

4. **Conducted preliminary organizational analyses:** with the data collected, we evaluated potential organizational structures and models for providing the police services functions. This analysis reviewed the common "hybrid" approach of providing some services in house and others by contracting with other entities.
5. **Met with other cities that have separated from County contracts:** We gleaned information from a number of cities that have adjusted their police services model over the years. Most notably we met with officials from the cities of San Ramon and Citrus Heights who separated from County contracts and went mostly in house.
6. **Contacted potential vendors:** we connected with over a dozen vendors (some other public entities) to assess the capacity for and the costs to provide these various services to Oakley.
7. **Further developed preliminary models for in-house and hybrid service delivery approaches:** this effort revisited potential organizational structures that would establish a mostly in-house arrangement, but with some services contracted out.
8. **Received input from experienced law enforcement professionals regarding organizational structures:** while some minor adjustments could be made, a preferred organizational chart was necessary to properly cost out the models.
9. **Contracted with compensation and benefits consultants:** this consultant team conducted a salary, benefits and overall compensation survey and also met in focus group settings with some of the existing Oakley officers. This effort assisted with the development of a strategic recruitment plan based on an initial compensation and benefits model that could be used should the City separate from the County.
10. **Identified and worked to quantify the risk transfer components that would occur if the City no longer contracted police services from the County:** there are a number of "back of house" services provided and the assumption of a significant amount of risk by the County as a part of the contract. Identifying those costs and the impact on the City organization has been a critical part of the analysis.

- 11. Identified and estimated one-time conversion costs should the City separate from the County:** while almost all of the vehicles, equipment and other assets are already owned by the City, additional vehicles and equipment would need to be purchased, some office space re-worked and some "overlap" staffing brought on board prior to the separation to prepare for the transition.
  
- 12. Prepared cost estimates comparing current costs with the County contract and the estimated costs of an in-house police department that contracts some services (most notably forensics and dispatch).** These cost estimates have been reviewed and re-reviewed several times and Staff believes we have a solid idea of what the costs will likely be to separate from the County contract.
  
- 13. Conferred with the County once again to determine if they would consider any changes to the cost modeling.** We felt it important to ask once again if the County would consider adjustments to how the costs of services under the police services contract are calculated. We received formal word that such adjustments would not be considered; although a continued contractual relationship with the County for some services, as is done by many cities, is expected and Staff would be meeting with the County staff, should the Council decide to separate from the County contract.

### **Conclusion**

Separating from the County contract comes with some risks and operational impacts to the rest of the City organization; however, we are convinced that a separation will come with a substantial cost savings, with no reduction in service levels. Most critically, all indications are that the cost of adding officers with an in-house model will be less expensive than under the existing County contract, and it is important to position the City wisely so that we are able to make the necessary additions to public safety as the community grows.