



MEMORANDUM

Date: December 9, 2014
To: City Council
From: Bryan Montgomery, City Manager
Paul Abelson, Finance Director 
Subject: Police Services Study Update

Summary

This is a status update on the police services study undertaken to determine how to best position the City in providing for the long-term delivery of police services. For 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 choose an achievable long-term service delivery option that maintains or improves the City's existing level of service; and, in the process, identify whether a lower cost model exists or is likely to exist sometime in the foreseeable future.

In Phase I of the work, Staff researched other studies of a similar nature, developed a scope and strategy for the Study, reviewed the service delivery models for the most recent top safest 50 cities, and conducted a regional survey of local police departments to learn what types of services are currently, and commonly, performed in-house vs. via contract; and to learn where possible, the names of the contractors serving these departments.

In Phase II, Staff continued gathering information by contacting San Ramon and Citrus Heights, two cities who have actually moved from a County contract model to a more in-house model, to explore how the process worked, the timelines they experienced, the initial costs of transition, and lessons learned (what they'd do differently if they were doing it today). Staff visited Citrus Heights and met with the City Manager and his team to discuss their experience in some detail. We also made an initial contact with Brentwood and Antioch to get an indication of their interest in a shared model for some services, such as dispatch. Both appear to be open to discussions, and we believe a partnership in sharing some services with one or both of them may be viable in the future. Lastly, Staff reached out to a number of contractors identified in the above-mentioned regional survey, to find out how their services would be available to Oakley in the future, should the City decide in the future to move to an in-house or hybrid service delivery model; and of course,

gained an understanding of their contract model and how they charge for their services. These contractors generally provided routinely outsourced functions (such as background checks, policies and procedures support, and risk management), and there were no significant new costs identified for those whom responded. There are a number of contractors the City already utilizes for police related services, for example fleet maintenance, forensics and training from the academy, that require no additional research, since we anticipate they would be available from existing City vendors or the County, as they are for all Contra Costa County cities.

In Phase III, Staff developed and began analyzing potential models of service structure and delivery, at a minimum including models under a continuation of the County contract, and through hybrid models that have City staff combined with some contracted services. We also explored whether more comprehensive contracting options may be possible with neighboring/nearby cities (most notably communications, records, and property/evidence operations). We engaged several experienced public safety personnel outside of our organization to review the models and assist in making adjustments that ensure they reflect maintenance of current service levels and that the plan appears achievable.

Also as part of Phase III, we have engaged a compensation and benefits firm to assist Staff in benchmarking compensation and benefits with other local agencies, and to recommend possible compensation and benefits package(s) that would help retain and attract quality personnel. As a component of that package, we are exploring whether a non-CalPERS based retirement plan could be more desirable than using the 2%@57 defined benefit plan the City would have to offer if the more traditional CalPERS approach is followed. We will not receive the results of the work done by the compensation and benefits firm until early next year.

While the numbers continue to show the in-house model as less expensive than the current County contract, we have not yet finalized our analysis or the range of likely compensation costs for personnel or other services related costs. The plan is to have those estimates more final in time for a presentation to the City Council at the January 27, 2015 Council meeting. If the final analysis demonstrates that there will be meaningful savings from separating from the County contract, we would have a return conversation with the County to review whether, with some cost adjustments, the County contract might still be a benefit to both the City and the County. As we have stated many times, the services provided by the Sheriff's Office are of very high-quality, but the costs of those services are also very high. Without substantial adjustments to the County's cost model, the most appropriate decision may very well be moving to an in-house police department.

Discussion, Community and Council Input

Staff welcomes input from the Public and Council's comments and any further direction regarding the Study's scope and strategy.