



MEMORANDUM

Date: August 12, 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. Staff is taking a measured and deliberate approach to gathering the necessary data, and exploring the options and opportunities that may be available. Our goal is present a comprehensive, actionable analysis offering you the opportunity to evaluate and choose from a number of achievable long-term service delivery options that maintain or improve the City's existing level of service, and in the process, identifying 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 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. Both appear to be open to discussing this and we will explore this in more detail in the next few months. 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, seek to understand 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 the County, as they are for all Contra Costa County cities.

In the next phase of work (Phase III of the Study), Staff will develop and analyze potential models of service structure and delivery, at a minimum including models under a continuation of the County contract, formation of an all in-house Department, and one or more hybrid models with some in-house services and some contracted. We will also explore whether more comprehensive contracting options may exist with neighboring/nearby cities (most notably communications, records, and property/evidence operations); and the potential for the formation of a Joint Powers Authority (JPA) bringing a number of cities together for all or some of the work necessary for successful, but less costly, public safety operations. We will also engage two or three 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. And we may also engage a compensation specialist to assist Staff in designing a reasonable compensation model to ensure the analyses of any in-house model reflects realistic costs needed to successfully attract any proposed public safety personnel, given the City would be in the new State-mandated 2%@57 retirement plan for all new public safety hires, if the State retirement system (PERS) is used. Staff has already begun researching other retirement alternatives. Once we have most of this information together, we also hope to have a return conversation with the County to review whether, with some adjustment, the County contract might still be a benefit to both the City and the County.

As a reminder, for the last phase of the Study (Phase IV), Staff will summarize the results, and hold one or more work sessions to present the findings, including a description of the models, and Staff's observations about each one. From a financial perspective, the presentation is expected to include both shorter term comparisons, as well as longer term; and will look at the costs of each option vs current costs and those we might expect in the future as the City grows. Feedback by the Council and the Public from the work session(s) would then serve as a basis for Staff to bring the Council its recommendations.

Discussion and Council Input

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