




BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Sheriff – Coroner
Department No.: 32
For Agenda Of: July 3, 2018
Placement: Departmental
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Sheriff's Office Bill Brown, Sheriff – Coroner (Ext. 4290) 
Contact Info: Bernard Melekian, Undersheriff (Ext. 4080)

SUBJECT: Sheriff's Office Agreements for Law Enforcement Services to Buellton, Carpinteria, Goleta, and Solvang

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a. Adopt a Resolution that identifies general law enforcement services provided by the Sheriff to all portions of the County pursuant to Government Code section 51350;
- b. Approve, authorize and ratify the Chair to execute Law Enforcement Service Agreements for the Cities of Goleta, Buellton, Solvang and Carpinteria;
- c. Approve phased implementation of the updated cost model to cities that will be significantly impacted by cost increases, specifically Buellton and Solvang, and;
- d. Determine that the above actions are not a project pursuant to CEQA Guidelines Section 15378(b)(5), as it is an administrative government activity that will not result in direct or indirect physical changes in the environment.

Summary Text:

The Sheriff and Auditor Controller have developed an updated cost model that reflects the actual cost of providing law enforcement services to obtain full cost recovery to the extent legally possible. When contracting law enforcement services to incorporated cities these costs are recoverable per Government Code section 51350. This statute requires that the Board of Supervisors adopt a resolution defining what law enforcement services the County provides through the Sheriff's Office to all portions of the county, and exclude the costs of these services from charges to contracting cities. Typically these county wide services include Search and Rescue, Custody, and Coroner services among others. This statute also requires that a county not charge a city for any costs determined to be general overhead costs of operation of county government. These are costs which a county would incur regardless of whether or not it provided a service under contract to a city.

Several of the Law Enforcement Service Agreements between the County and four contract cities are expired or expiring. All of the agreements were in need of updating and review. The agreements have now been standardized and reviewed to accurately reflect current professional standards and legal requirements. With approval of the Board on November 7, 2017 the Sheriff's Office negotiated new service agreements and received approval from the city councils and requests that the Board approve the service agreements.

As part of the cost model development it was determined that two of the four cities contracting with the County for law enforcement services will experience significant cost increases. One city is estimated to have law enforcement service costs increase by 29% with the other being estimated at a 27% increase. In order to avoid causing serious budgetary constraints to the affected cities the Sheriff is requesting to phase in the cost increase over time with full cost recovery, to the extent legally possible, occurring in subsequent years.

Background:

The Sheriff's Office has been working on standardizing law enforcement service agreements for the cities we provide services for: Buellton, Carpinteria, Goleta and Solvang. Many of the existing agreements differ depending on the Sheriff, Board of Supervisors and City Councils in place at the time the agreement was negotiated. Some of the agreements were developed over 25 years ago and have simply been reviewed for salary and cost increases. This deficiency was also recognized by the Auditor Controller's Office in correspondence to the Undersheriff and Sheriff's Chief Financial Officer on January 11, 2017. Their observations and recommendations, listed as 1 and 2 in the attached copy (Attachment 1), mirrored the Sheriff's Office intent to update outdated service agreements and move towards actual cost recovery.

Several steps have been taken towards the renovation and standardization of law enforcement service agreements. A review of other counties providing services was conducted and a method that has been in place since the 1970's was adopted. This service method is significantly different than current practices in two ways, first, the model measures service by the time the service was provided as opposed to the FTE model that measures services by the number of people assigned under the agreement. Secondly, all

of the costs associated with providing a law enforcement deputy for one hour of service are included as a single cost. These costs include all of the necessary support needed by a law enforcement deputy and comprises all of the administrative, investigative, supervision, management, relief and supplies required to provide the service. This is defined as a Deputy Sheriff Service Unit (DSSU).

A Contract Services Unit was established to manage all service agreements the Sheriff provides law enforcement services for. Instead of being managed regionally by the affected area manager, all service agreements will be managed by the Contract Services Unit and housed in one location. In addition to four cities, services are provided for schools, community events, the Forest Service, an Indian Tribe, County Parks and a number of seasonal and annual events. In total the Sheriff averages over 12,000 hours a year in augmented services. All future law enforcement service agreements will be managed by the Contract Services Unit with funding for the unit being part of the agreements.

Four Agreements

The Sheriff's Office has met with the representatives of all four contract cities (Buellton, Solvang, Carpinteria and Goleta) on multiple occasions and established a standardized law enforcement service agreement and costing model. The new costing model is a shift away from providing Full Time Equivalent (FTE) personnel and charging separately for these positions, to an actual hourly cost a cost-recovery, salary based model that provides services by time. The entity requesting law enforcement services indicates the level of service desired and if the Sheriff (designee) agrees, the level of staffing required to provide services is identified.

The service level to provide one deputy in a patrol car 24 hours a day, 365 days a year is referred to as a DSSU. It includes all of the personnel required to staff the position including; a lost time relief factor, supervision, management, administrative staff, investigative staff and all of the services and supplies and other charges required for a deputy to effectively provide law enforcement services.

To identify the actual cost of providing law enforcement services all of the costs incurred performing and supporting law enforcement services per the County's financial system are reviewed from the previous year and an actual cost is identified. Services, supplies and other billable costs are then applied to the salary and benefits costs to provide an actual total cost. As this is the first year this cost model has been applied, the change from an FTE model to a DSSU model has presented some challenges. Determining costs based on time has some tests as the data required to demonstrate the cost was previously not collected. Every effort has been made to calculate actual costs, however the cost model may not stabilize for one to two years which will allow the next years costs to be based on the previous year's actual cost. Refer to Exhibit C in the city contracts for a more detailed description of the Cost Model.

The total allowable recoverable cost are charged to the city requesting law enforcement services. Described below are allowable recovery costs in Government Code section 51350.

The four city law enforcement service agreements below are identical with the exception of the contact information on page 2, the signature page (7) and Exhibits E and E-1 which describe city specific needs and cost sheets.

City of Solvang Law Enforcement Service Agreement (Attachment 4)

The City of Solvang has contracted to the County for law enforcement services, to be provided by the Sheriff's Office, since it incorporated in 1985, however the agreement was not formalized until 1992. Since that time they have maintained a single deputy for law enforcement services 24 hours a day, 365 days a year, or the equivalent of one DSSU. The fiscal year 2018-19 reimbursable cost for law enforcement services is \$2,137,812. This represents a 29% increase over the prior fiscal year and a significant impact to the city budget. The Sheriff is requesting to phase in this cost increase which is consistent with other California law enforcement service providers and a significant cost increase occurs. This would subsidize the cost to Solvang by \$370,365, a 7% increase from the current fiscal year, which the Sheriff intends to absorb internally through salary savings and continued overtime reduction. If additional subsidies are required in the 2019-20 fiscal year the Sheriff will return to the Board with a supplementary request.

City of Buellton (Attachment 5)

The City of Buellton has contracted to the County for law enforcement services, to be provided by the Sheriff's Office, since it incorporated in 1992. Since that time they have maintained a single deputy for law enforcement services 24 hours a day, 365 days a year, or the equivalent of one DSSU. The fiscal year 2018-19 reimbursable cost for law enforcement services is \$2,158,416. This represents a 27% increase over the prior fiscal year and a significant impact to the city budget. Similar to the City of Buellton, the Sheriff is requesting to phase in this cost increase which is consistent with other California law enforcement service providers and a significant cost increase occurs. This would subsidize the cost to Solvang by \$372,211, a 5% increase from the current fiscal year, which the Sheriff intends to absorb internally through salary savings and continued overtime reduction. If additional subsidies are required in the 2019-20 fiscal year the Sheriff will return to the Board with a supplementary request.

City of Goleta (Attachment 6)

The City of Goleta has contracted with the County for law enforcement services to be provided by the Sheriff's Office since it incorporated in 2002. Goleta represents the largest law enforcement service contract in the county. Since it incorporated it has had three positions 24 hours a day 365 days a year or the equivalent of 3 DSSU's. In addition the city has several additional positions, referred to as menu items, including motor officers, a school resource officer, a community resource deputy and a dedicated narcotics detective. Goleta's fiscal year 2018-19 reimbursable cost is \$7,821,892 and represents a 7% decrease of \$573,937.

City of Carpinteria (Attachment 7)

The City of Carpinteria has contracted with the County for law enforcement services since 1992 when it dissolved its own police force. The city represents the county's first and longest law enforcement service contract. Carpinteria has two 24 hour positions 365 days a year or the equivalent of 2 DSSU's. The city also has a Community Resource Deputy (menu item). The fiscal 2018-19 reimbursable cost represented a 10% cost increase for the city. As a result of the increase Carpinteria eliminated the CRD position which decreased the reimbursable cost to the county by \$289,721 from the adopted budget. The employee currently assigned to the position will be transferred to an investigations position that was left vacant in anticipation of the CRD position elimination.

The Sheriff requests that the Board of Supervisors approve the law enforcement service agreements for the four cities.

Fiscal Impacts

Budgeted: Yes

City	County Cost	Non-Reimbursable	Phase-In Subsidy	Contract Amount	Adopted Budget
Goleta	8,239,867	(417,974)	-	7,821,892	7,821,900
Carpinteria	3,891,123	(194,644)	-	3,696,479	3,986,200
Solvang	2,251,261	(113,449)	(370,365)	1,767,448	1,767,400
Buellton	2,272,906	(114,490)	(372,211)	1,786,205	1,786,200
Total	16,655,156	(840,557)	(742,575)	15,072,024	15,361,700

Total County Cost represents the total cost to the County of providing law enforcement services under contract to cities. These amounts exclude the costs of any countywide law enforcement services made available to all portions of the County, as explained further below. Non-Reimbursable costs represent those costs determined to be general overhead costs of operation of the county government, which are not chargeable to cities pursuant to Government Code Section 51350. Phase-in Subsidy amounts represent the one-time subsidies requested for Solvang and Buellton due to the significant cost increases these cities would otherwise experience as a result of transitioning to the new DSSU cost model. Total Contract Amount represents the reimbursable costs the County will receive from cities as Contract Revenue in fiscal year 2018-19.

Government Code 51350 Resolution and Determination of General Overhead Costs

Cal. Gov't. Code §51350 provides that a county that provides law enforcement service to a city “shall charge the city all those costs which are incurred in providing the services so contracted or authorized...[a] county shall not charge a city contracting for a particular service, either as a direct or an indirect overhead charge, any portion of those costs which are attributable to services made available to all portions of the county, as determined by resolution of the board of supervisors, or which are general overhead costs of operation of the county government.”

In accordance with Cal. Gov't. Code §51350, a review of all services provided by the Sheriff’s Office was conducted to identify which services would be considered “countywide services.” Two areas were

considered when evaluating these services. The first was whether or not the Sheriff's Office would provide the service if the city contracts were not in place. The second was whether or not the Sheriff's Office would provide the service to an incorporated city not under contract with the Sheriff's Office without cost recovery (e.g., City of Santa Barbara). Some services are mandated by statute and include Search and Rescue, Custody Operations, Court Security and the Coroner function. The cost of providing these services cannot be passed on to contract cities. Additionally the Sheriff's Office, being the primary law enforcement entity in the County, has many resources that are unavailable to smaller incorporated cities and utilizes them countywide in the interest of public safety and the Sheriff's shared law enforcement responsibility. These services include: Coroner, Search and Rescue, Mounted Unit, Boat Patrol, Aviation support, Underwater Search and Recovery, Special Weapons and Tactics Teams (SET), Human Trafficking Task Force, Court Security and Civil Services, Volunteer Program, Explorer Program, Project Lifesaver, Explosive Ordinance and Devices (Bomb Team), Hostage Negotiations Team and security provided at the request of the Board of Supervisors.

The Sheriff is requesting that the Board of Supervisors adopt the attached resolution defining these as countywide services available to all portions of the county.

In addition to the countywide services described above, Gov't. Code §51350 provides that general overhead costs, defined as those costs which a county would incur regardless of whether or not it provided a service under contract to a city, cannot be passed on to contract cities. In compliance with the code an analysis was completed that determines general overhead costs that can and cannot be recovered. The analysis is included as Attachment 3, which is submitted to your board for approval.

Special Instructions:

Please provide a copy of the attached resolution to the Sheriff, Attention Contract Services Unit if approved.

Please return a fully executed original law enforcement service agreement for the city of Goleta to the Sheriff, Attention Contract Services Unit.

Please return a fully executed copy of the law enforcement service agreements for the cities of Carpinteria, Buellton, and Solvang to the Sheriff, Attention Contract Services Unit.

Attachments:

Attachment 1

Memorandum from the Auditor Controller's Office dated January 11, 2017.

Attachment 2

Resolution determining law enforcement services made available to all portions of the County.

Attachment 3
Determination of General Overhead Cost

Attachment 4
Law enforcement service agreement for the city of Solvang.

Attachment 5
Law Enforcement Service agreement for the city of Buellton.

Attachment 6
Law Enforcement Service agreement for the city of Goleta.

Attachment 7
Law Enforcement Service agreement for the city of Carpinteria.

Authored by:

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