



TO: Mayor and Councilmembers

FROM: Michelle Greene, City Manager

CONTACT: Luke Rioux, Finance Director
Jaime Valdez, Interim Neighborhood Services and Public Safety Director

SUBJECT: Amendment No. 1 to Law Enforcement Services Agreement with Santa Barbara County

RECOMMENDATION:

Approve and authorize the Mayor to execute Amendment No. 1 to the Law Enforcement Services Agreement Between the City of Goleta and the County of Santa Barbara.

BACKGROUND:

On June 18, 2019, the City Council approved and authorized the City Manager to execute Agreement ("Agreement," No. 2019-043) to Provide Law Enforcement Services by and between the County of Santa Barbara and the City of Goleta from July 1, 2019, through June 30, 2023 (Attachment 1).

Costs for the first year of the contract, fiscal year ("FY") 2019-20, were included in the Agreement and totaled \$7,647,503. Subsequently in Fiscal Year 2020-21, the City was notified that the amount for the same level of service would be \$7,744,062.

On November 10, 2020, the County of Santa Barbara Sheriff Office (SBSO) informed the City that the SBSO was estimating a 5.5% increase in contract costs for law enforcement services for fiscal year ("FY") 2021-2022. However, on January 14, 2021, the SBSO provided the final annual recomputation for FY 2021-2022, which reflected a significantly larger cost increase of approximately 30% over the FY 2020-21 year (totaling \$10,018,333).

The City responded with a letter dated February 11, 2021, initiating a contract dispute citing several concerns including the calculation of costs for FY 2021-22. This approach was mirrored by the other three contract cities of Buellton, Carpinteria, and Solvang (collectively with the City of Goleta, "Contract Cities").

After the February 11th letter, the Contract Cities continued to work with the SBSO to resolve the dispute. After several meetings, an agreement was reached, and the Contract Cities' City Attorneys and County Counsel proceeded to formally memorialize the disputed terms and costs for FY 2021-22 in the provided Amendment (Attachment 2).

DISCUSSION:

The Amendment resolves the dispute regarding FY 2021-22 costs as follows:

- The Contract Cities will *only* be charged for “base hours” in their respective contracts
 - For Goleta, its base hours total 26,280
- The Deputy Sheriff Service Unit (DSSU) hourly rate in the cost calculation will be \$210.65
 - This a four-year average of patrol hours used in the denominator of the patrol costs calculation
- A 2-year 3% inflationary factor will be used for inflation costs
 - This was mutually agreed upon at a fixed rate
- Only base hours will be used for the FY 18/19 True-Up
 - SBSO had previously invoiced the City of Goleta for \$242,888 in FY 2020-21 for 1,252 hours additional hours beyond Goleta’s 26,280 base hours
 - The City of Goleta will not be required to pay the \$242,888
- The Contract Cities will pay 50% of the FY 19/20 True-Up costs, which is included in the total costs for FY 2021-22
- “Menu items” are included (e.g., motor unit for Goleta) and the existing level of service maintained
- Improved data reporting with more detailed compliance data depicting use of law enforcement services within each respective jurisdiction
- All parties intend to enter into good faith discussions beginning in August regarding negotiation of a new contract law enforcement services agreement for FY 2023-24 and beyond and intend to begin negotiations no later than November 2021 for FY 2022-23 contract costs

In summary, for the City of Goleta, this results in FY 2021-22 Contract Costs totaling \$8,607,721 inclusive of the 26,280 base hours plus all other costs such as true-up, Menu Items, dispatch, DSSU administration and inflation.

FISCAL IMPACTS:

The FY 2021-22 total contract costs are \$8,607,721. There are no new fiscal impacts as the amount in the Amendment was already budgeted for in the Fiscal Year 2021-22 budget adopted by City Council on June 15, 2021.

ALTERNATIVES:

No feasible alternative exists at this time.

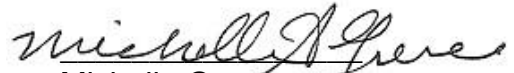
Reviewed By:

Legal Review By:

Approved By:


Kristine Schmidt
Assistant City Manager


Michael Jenkins
City Attorney


Michelle Greene
City Manager

ATTACHMENTS:

1. Agreement to Provide Law Enforcement Services by and between the County of Santa Barbara and the City of Goleta from July 1, 2019, through June 30, 2023
2. Amendment No. 1 to the Law Enforcement Services Agreement Between the City of Goleta and the County of Santa Barbara

Attachment 1

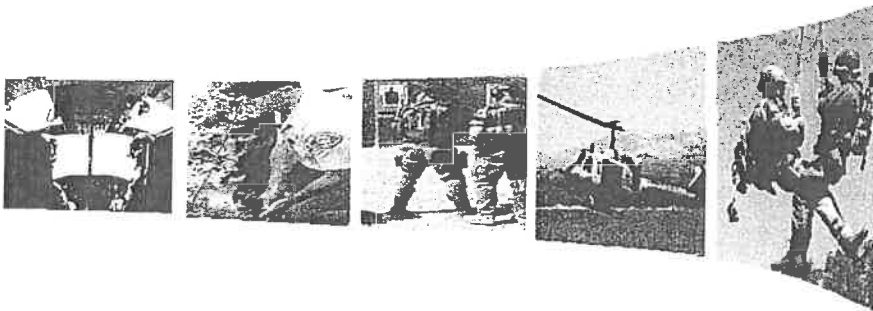
Agreement to Provide Law Enforcement Services by and between the County of Santa Barbara and the City of Goleta from July 1, 2019, through June 30, 2023



2019-20

Contract Law Enforcement Services

BILL BROWN
SHERIFF-CORONER



Keeping The Peace Since 1850



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AGREEMENT TO PROVIDE LAW ENFORCEMENT SERVICES

THIS AGREEMENT (hereafter Agreement) is made by and between the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY) and the City of Goleta, an incorporated city having its principal place of business at 130 Cremona Drive Suite B, Goleta, CA 93117 (hereafter CITY) wherein COUNTY agrees to provide and CITY agrees to accept the services specified herein.

WHEREAS, CITY has requested COUNTY, through its Sheriff's Office, to provide law enforcement services pursuant to a contractual agreement; and

WHEREAS, the COUNTY, through its Sheriff's Office, has expressed willingness to provide law enforcement services on a cost reimbursement basis, as authorized by California Government Code section 51300 et seq.; and

WHEREAS, in recognition that this Agreement represents significant cost to CITY, COUNTY recognizes its responsibility of fiscal stewardship and to that end, is committed to providing law enforcement services in a fiscally responsible manner.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. **DESIGNATED REPRESENTATIVE.** The currently assigned City of Goleta Station Lieutenant at phone number (805) 681-4131 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. The City Manager or his/her designee at phone number (805) 961-7500 is the authorized representative for CITY. Changes in designated representatives shall be made only after advance written notice to the other party.

2. **NOTICES.** Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by first class mail, postage prepaid, or otherwise delivered as follows:

To COUNTY:	Sheriff Bill Brown, P.O. Box 6427, Santa Barbara, CA 93160
To CITY:	City Manager, Michelle Greene, 130 Cremona Drive Suite B Goleta, CA 93117

or at such other address or to such other person that the parties may from time to time designate. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the U.S. mail.

3. **SCOPE OF SERVICES.** COUNTY agrees to provide law enforcement services to CITY in accordance with **Exhibits A** through **A-2** and **Exhibit E** attached hereto and incorporated herein by reference.

4. **TERM.**

A. **Basic Term.** The term of this Agreement shall commence July 1, 2019, and continue through June 30, 2023, a four (4) year term, expiring on June 30, 2023, unless sooner terminated pursuant to Paragraph 13, Termination, below, or extended as described in Paragraph 4(B).

B. **Extended Term.** The terms of this Agreement may be extended for one period of (2) years, if the Sheriff and City Manager determine to so extend the term and written notice of such renewal is

given to the other party at least six (6) months prior to expiration. The extended term shall be referred to as the Extended Term of the 2019-20 Agreement.

C. Appropriations Limitation. CITY and COUNTY each acknowledge that annual budgetary appropriations in future years for payment and services hereunder are subject to the approval of their respective legislative bodies.

5. STANDARD OF PERFORMANCE. COUNTY represents that it has the skills and expertise necessary to perform law enforcement services required under this Agreement, as described in **Exhibits A through A-2 and E.**

6. COMPENSATION OF COUNTY. COUNTY shall be paid for performance under this Agreement in accordance with the terms of **Exhibit B and C** attached hereto and incorporated herein by reference.

7. INDEMNIFICATION AND INSURANCE. CITY and COUNTY agree to defend, indemnify and save harmless each other and to procure and maintain insurance in accordance with the provisions of **Exhibit D**, attached hereto and incorporated herein by reference.

8. OWNERSHIP OF EQUIPMENT. COUNTY shall be the owner of all items incidental to the performance of this Agreement. Equipment or supplies purchased by CITY to aid in the performance of law enforcement services shall remain the property of CITY. No transfer of ownership of equipment from COUNTY to CITY shall occur as a result of this Agreement. It is understood that COUNTY shall provide all equipment and supplies necessary to the performance of this Agreement and that any CITY-owned equipment and supplies are provided voluntarily. CITY and COUNTY shall have no obligation to maintain or replace any CITY-owned equipment and supplies. Upon termination of the Agreement or applicable menu items within the agreement, an equipment or supplies purchased by the CITY for COUNTY may, at CITY sole discretion, revert to CITY ownership.

9. INDEPENDENT CONTRACTOR. It is expressly understood between the parties to this Agreement that no employer/employee relationship is intended; the relationship of COUNTY to CITY being that of an independent contractor and CITY and COUNTY retain sole and independent liability for the actions of the employees of each.

10. NONDISCRIMINATION. COUNTY hereby notifies CITY that COUNTY'S Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and CITY agrees to comply with said ordinance.

11. NONEXCLUSIVE AGREEMENT. CITY understands that this is not an exclusive Agreement and that COUNTY shall have the right to negotiate with and enter into contracts with other Santa Barbara County cities and/or other entities to provide the same or similar services.

12. ASSIGNMENT. Neither party shall assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of the other party and any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination of this Agreement.

13. **TERMINATION.**

A. **By COUNTY**

1. Termination for Convenience. COUNTY may terminate this Agreement upon Three Hundred Sixty Five (365) days' written notice. Upon the date of termination, COUNTY shall cease work and notify CITY as to the status of its performance.

2. Termination for Cause. Should CITY default in the performance of this Agreement or materially breach any of its provisions, COUNTY may, at COUNTY'S sole option, terminate this Agreement by Ninety (90) days written notice.

B. **By CITY**

1. Termination for Convenience. CITY may terminate this Agreement upon Three Hundred Sixty Five (365) days' written notice.

2. Termination for Cause. Should COUNTY default in the performance of this Agreement or materially breach any of its provisions, including by failing to provide CITY all or any part of the services set forth in Exhibit A, CITY may, at CITY'S sole option, terminate this Agreement by Ninety (90) days written notice.

Notwithstanding any other payment provision of this Agreement, CITY shall pay COUNTY for service performed to the date of termination, including any prorated amount of compensation due hereunder less payments, if any, previously made.

14. **SECTION HEADINGS.** The headings of the several sections, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

15. **SEVERABILITY.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

16. **REMEDIES NOT EXCLUSIVE.** No remedy herein conferred upon or reserved to the parties is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

17. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement and each covenant and term is a condition herein.

18. **NO WAIVER OF DEFAULT.** No delay or omission of by either party to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given

by this Agreement to each party shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of the exercising party.

19. **ENTIRE AGREEMENT AND AMENDMENT.** In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives its future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver, or estoppel.

20. **SUCCESSORS AND ASSIGNS.** All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

21. **COMPLIANCE WITH LAW.** Both parties shall, at their sole cost and expense, comply with all applicable City, County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement.

22. **CALIFORNIA LAW.** This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court; or in the federal district court nearest to Santa Barbara County, if in federal court.

23. **EXECUTION OF COUNTERPARTS.** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

24. **AUTHORITY.** The parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, COUNTY and CITY hereby warrant that each shall not have breached the terms or conditions of any other contract or agreement to which COUNTY or CITY is obligated, which breach would have a material effect hereon.

25. **PRECEDENCE.** In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the Exhibits shall prevail over those in the numbered sections. In the event of conflict between the provisions contained in the numbered sections of this Agreement, Exhibits and subsequent contract Amendments, the most current contract Amendment shall prevail over the provisions, Exhibits and/or prior Amendments.

26. **DISPUTE RESOLUTION PROCESS.** Before commencing any legal proceeding in any court of law, any controversy, arising out of or relating to this Agreement, its enforcement, or interpretation, including claims of an alleged breach (but excluding a dispute regarding the level of service subject to procedure set forth in Paragraph 2.B. of Exhibit A) shall be first submitted to non-binding mediation. Written notice stating the basis of the dispute, including the amount disputed, if any, shall be provided to the other party within thirty (30) days of the event giving rise to the dispute. During the next thirty (30) days following receipt of notice, the parties shall engage in good faith efforts to resolve the dispute through the appropriate

internal hierarchy of each agency. If the dispute remains unresolved, the matter shall be referred to a neutral mediator agreed to by both parties. If the parties cannot agree on a mediator, the mediator shall be appointed pursuant to the Commercial Arbitration Rules of the American Arbitration Association, unless the parties mutually agree to choose the mediator in another manner. The mediator shall hear presentations and documentary evidence from the parties. The rules of evidence shall not apply to the mediation. At the conclusion of the mediation, the mediator shall render a written decision. Any costs of retaining the services of the mediator shall be shared equally by the COUNTY and CITY. The parties intend that the dispute resolution procedures provided for hereunder shall be conducted in as expeditious a manner as possible.

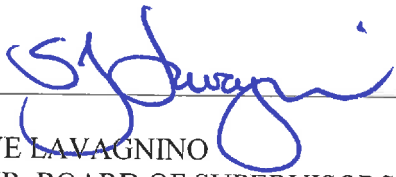
27. AGREEMENT NOT CONSTRUED AGAINST DRAFTER. This Agreement has been negotiated and prepared by the parties and their respective counsel, and should any provision of this Agreement require judicial interpretation, the court interpreting or construing the provision shall not apply a rule of construction that a document is to be construed against one party.

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IN WITNESS WHEREOF, the parties have executed this Agreement to be effective July 1, 2019 after it is fully executed by the appropriate CITY and COUNTY officials.

COUNTY OF SANTA BARBARA

CITY OF GOLETA

By: 
STEVE LAVAGNINO
CHAIR, BOARD OF SUPERVISORS

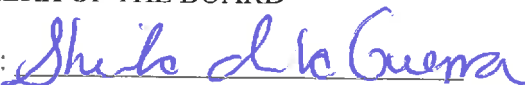
By: _____
MICHELLE GREENE
CITY MANAGER

Date: 7-2-19

Date: _____

ATTEST:
MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

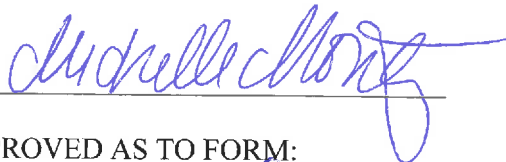
ATTEST:
CITY CLERK
DEBORAH LOPEZ

By: 

By: _____

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

APPROVED AS TO FORM
MICHAEL JENKINS
CITY ATTORNEY

By: 

By: _____

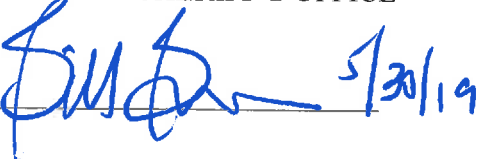
APPROVED AS TO FORM:
RAY AROMATORIO
RISK MANAGER

By: 

APPROVED AS TO FORM:
BETSY M. SCHAFER
AUDITOR-CONTROLLER

By: 

APPROVED AS TO CONTENT:
SHERIFF BILL BROWN
SANTA BARBARA SHERIFF'S OFFICE


By:  7/20/19

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective July 1, 2019 after it is fully executed by the appropriate CITY and COUNTY officials.

COUNTY OF SANTA BARBARA

CITY OF GOLETA

By: _____

By:  _____

STEVE LAVAGNINO
CHAIR, BOARD OF SUPERVISORS

MICHELLE GREENE
CITY MANAGER

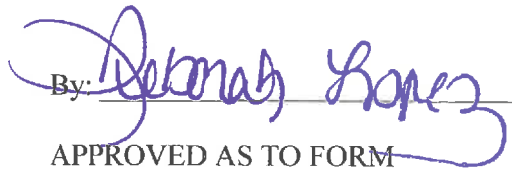
Date: _____

Date: 6/18/2019 _____

ATTEST:
MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

ATTEST:
CITY CLERK
DEBORAH LOPEZ

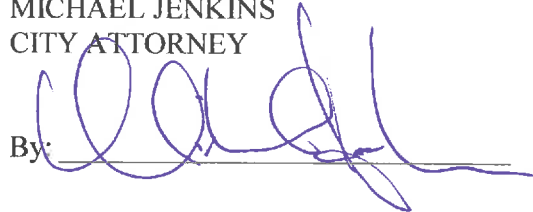
By: _____

By:  _____

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

APPROVED AS TO FORM
MICHAEL JENKINS
CITY ATTORNEY

By: _____

By:  _____

APPROVED AS TO FORM:
RAY AROMATORIO
RISK MANAGER

By: _____

APPROVED AS TO FORM:
BETSY M. SCHAFER
AUDITOR-CONTROLLER

By: _____

APPROVED AS TO CONTENT:
SHERIFF BILL BROWN
SANTA BARBARA SHERIFF'S OFFICE

By: _____

Exhibit A: Statement of Work

The purpose of Exhibit A is to describe and define the type and level of work to be performed.

1. Delivery of Services.

COUNTY, through its Sheriff's Office, shall deliver general law enforcement services within the incorporated limits of the CITY according to the terms and conditions set forth herein. It is the goal of the Sheriff's Office to provide a high level of professional excellence; respond to calls for service promptly; protect lives and property to the best of its ability; practice community oriented policing and conduct itself in a manner that promotes trust and legitimacy and is participatory in community matters and events; initiate programs that prevent and deter crime or improve the quality of life; stay abreast of modern policing methods and technology; and apprehend criminal offenders.

2. General Law Enforcement Services.

A. COUNTY agrees to provide general law enforcement services for CITY, which include 24/7 police patrol; criminal investigation/detectives; technical services; direct support and administrative functions; emergency Dispatch; general traffic enforcement, accident investigation, and parking control; all services included within a Deputy Sherriff Service Unit, as defined in Exhibit A-1; and all Specialized Law Enforcement Functions, as defined in Paragraph 2.C.

1. Labor and Materials. COUNTY shall supply all necessary labor, supervision, equipment, communication facilities, and supplies necessary to perform all duties and functions to maintain the level of service to be rendered hereunder. Notwithstanding anything contained herein, in all instances where special supplies, stationery, notices, forms and the like must be issued in the name of CITY, the same shall be supplied by CITY at CITY'S cost and expense.

2. Marked Vehicles. The Sheriff's Office may authorize defined areas of patrol vehicles to display CITY insignia indicating they are CITY police vehicles. If CITY elects to display approved CITY insignia the cost of such insignia will be at CITY expense.

3. Prosecution of Offenses. CITY and COUNTY shall continue their existing practice regarding the prosecution of offenses, with CITY responsible for the prosecution of infractions and City Ordinances, and COUNTY, through the District Attorney's Office, responsible for the prosecution of all other offenses. There shall be no cost effect on the parties under this Section.

4. Custody and Coroner Functions. It is generally understood by both parties at this writing that current law requires conventional custody and coroner functions be provided at the COUNTY'S obligation and expense throughout the County of Santa Barbara regardless of incorporated or unincorporated boundaries. CITY,

therefore, will not be invoiced for custody or coroner services. This item is also addressed in Exhibit B, Section 1(B).

B. Level of Service.

1. Level of Service Recommendation. The level of service, workplace and/or geographic boundaries for general law enforcement services to CITY will be recommended by COUNTY by November 1 of each year with service level adjustments occurring July 1 of the following year. The level of service refers to the sum of Deputy Sheriff Service Units (as defined in Exhibit A-1) ordered, supervision, contract management, support functions, equipment, capital structures, major assets, services, supplies, and other incidental costs attributable to the provision of general law enforcement services within the then current geographic boundaries of CITY. In consultation with COUNTY, CITY may enhance the level of law enforcement services as defined under Paragraph 3, "Supplemental Law Enforcement Services."

2. Level of Service Adjustment.

a. Adjustment Recommendation by COUNTY. If COUNTY proposes to raise the level of service above the level of service provided in the prior year, COUNTY shall provide CITY, along with its recommendation, data supporting its determination that a higher level of service is necessary to protect public and officer safety along with its recommendation. If requested by CITY, COUNTY will discuss alternative service options.

b. Adjustment Request by CITY. If CITY wishes to reduce the level of service below the level of service provided in the prior year, CITY shall make a written request to COUNTY within 30 days of the date it receives COUNTY'S level of service recommendation. CITY shall provide information supporting its request for a reduction in service level.

c. Consideration of Adjustment. The parties agree to work in good faith to review and consider the adjustment recommendation or request, including providing any supporting information or data that either party may request to support the recommendation or request.

3. Level of Service Review. If the parties do not come to agreement on an adjustment recommendation or request through the process set forth in Paragraph B.2., CITY may request review from the Undersheriff. The Undersheriff shall engage in a face-to-face meeting with the CITY to review the recommendation or request and shall consider the CITY'S position in good faith. The parties shall make all reasonable efforts to complete this process by April 15 of any year in which the process is utilized.

4. Minimum Level of Service. COUNTY is under no obligation to allow a minimum level of service that jeopardizes public or officer safety. If the level of service review, as set forth in Paragraph 2.B.3., is completed and the parties do not come to an agreement regarding the required level of service, the parties agree that the Sheriff shall have final authority to determine minimum level of service for this Agreement.

5. Amendment. If the foregoing process results in an increase or decrease to levels of service, the parties shall prepare and execute a written amendment to this Agreement as to the terms and conditions of the increase or decrease; all other terms set forth in this Agreement shall continue in full force and effect.

C. Specialized Law Enforcement Functions. Specialized law enforcement functions, such as: K-9; Mounted Unit Patrol; Search & Rescue; Hostage Negotiations; Special Enforcement (SWAT) Team; Dive Team, Hazardous Devices Team, Professional Standards Investigations, Reserve Forces; Fugitive/Warrant Detail; and/or Helicopter/fixed wing patrol are included in the cost of a Deputy Service Unit, described in Exhibit A-1, and may also be provided within the City Limits as needed and when deemed appropriate by COUNTY. CITY will not be invoiced separately for these services unless the service is requested by CITY as described in Section 3.

D. Grant Administration. The Administrative function will also include the ability and authority for COUNTY to apply, administer and implement grant opportunities for the benefit of CITY with the expressed written permission of the Designated Representative of CITY.

E. Service Limitations of COUNTY. All references to General Law Enforcement Services contained in this Agreement are references only to services that shall be delivered under the terms of this Agreement.

3. Supplemental Law Enforcement Services.

A. Additional Level(s) of Service.

1. Definition. Additional Level(s) of Service refers to supplemental or specialized law enforcement services not included in, "General Law Enforcement Services," as defined in Section 2, above. CITY may request an additional level of service such as, but not limited to: dedicated traffic enforcement, Community or School Resource Officers, dedicated specialty units (k-9, gang enforcement, etc.) or grant programs that are within the legal authority of COUNTY to provide. Another example is the application, administration and implementation of a supplemental grant program. Other supplemental law enforcement services are set forth in Exhibit A-1. CITY may request this additional level of service in writing to COUNTY'S Station Lieutenant. COUNTY will consider CITY'S requests and, at its option, implement these requests with any additional, actual expense invoiced to CITY.

2. Grant Programs. If the additional level of service is tied to a grant program, CITY will be invoiced for actual, additional costs above the grant award for the applicable time period unless COUNTY and CITY agree otherwise. This assumes that any grant funds are received directly by COUNTY. CITY may request and COUNTY may provide cost estimates prior to the implementation of a grant and/or program. CITY understands that actual, additional costs may vary slightly (high or low) from original estimates. Any supplemental, material expenses related to ongoing programs will be recommended by COUNTY to CITY in advance of purchase. CITY understands and accepts that if a supplemental item related to an ongoing program is not approved by CITY, COUNTY may exercise the option to refrain from further work on the grant or program. COUNTY will apply Departmental and/or County overhead to a grant cost when the provisions of the grant allow for the accounting of overhead expense. CITY understands and accepts that the net cost of grant overhead may become an expense to CITY when other provisions are not agreed upon in writing by both parties in advance of the implementation of the grant. CITY understands and accepts any ongoing fiscal, staffing, and/or programmatic obligations incurred in the acceptance of a grant. An example of such an obligation may include a grant requirement to retain a staffing position for a time period beyond the original grant award period.

B. One-time or Periodic Law Enforcement Services.

1. Definition. One-time or Periodic Law Enforcement Services refers to the provision of periodic or one-time enhancements to the level of general law enforcement services provided, such as, but not limited to: additional security for special events and seasonal staffing. These planned and/or unplanned events usually require additional, short-term law enforcement services. For planned events, upon written request of CITY to COUNTY, COUNTY will review and recommend the appropriate level of service for the event or occurrence and provide CITY with services within the available staffing and legal authority of COUNTY. In the instance of an unplanned event or emergency requiring law enforcement services in order to maintain public safety, COUNTY will immediately respond with an additional level of law enforcement service as determined by COUNTY in accordance with existing mutual aid agreements.

2. City Cost. CITY will be invoiced for actual, additional costs of any and all one time or periodic law enforcement services unless there exists no actual, additional cost (process described in Paragraph 3(B)(4) herein). CITY may request a written cost estimate in advance of a planned event and CITY understands and accepts that actual, additional costs of the event may vary (high or low) from the estimate.

3. Request Process for Planned Events. The request for additional law enforcement services for planned events shall be memorialized in writing, printed or electronic, between the two parties through their respective Designated

Representatives. The writing will describe the nature of the event, specific dates, times and addresses and may include a suggested level of service. The CITY will provide COUNTY with as much advance notice as is possible and practical prior to the event, for COUNTY scheduling purposes.

4. Provision of One-time or Periodic Services. COUNTY shall grant such requests if and when it is capable of doing so. This will first be accomplished using existing staff during regularly scheduled work hours if/when the provision of such services would not unreasonably interfere with the Sheriff's provision of general law enforcement services to the unincorporated portion of the County. If the request can be accomplished within the regularly scheduled hours that are already included within this Agreement, there may be no actual, additional expense incurred by CITY. The second staffing priority will be the use of additional personnel through overtime scheduling of the Sheriff's Office staff. The third staffing priority will be provided by means of COUNTY'S request of additional personnel from a neighboring law enforcement agency. COUNTY shall provide notice to CITY prior to providing service under the second or third staffing priority, when feasible. Any additional personnel and/or equipment used in the provision of supplemental law enforcement services will be invoiced above the base agreement amount in a manner described in Exhibit B. The priorities set forth herein are designed to keep CITY'S costs to a minimum and are consistent with current practice.

4. **Personnel Management.**

A. Hiring, Training and Discipline of Staff. The hiring, training, discipline and/or control of all Sheriff's Office personnel employed under this Agreement shall remain under the appropriate chain-of-command within COUNTY Sheriff's Office. All persons employed in the performance of services and functions for CITY pursuant to this Agreement shall be COUNTY employees.

B. Exclusive Authority. Subject to the terms of this Agreement, the Sheriff shall retain exclusive authority over the activities of his/her personnel. The planning, organization, scheduling, direction, supervision, standards of performance and discipline of Sheriff's personnel, and all other related matters incidental to the delivery of General Law Enforcement Services to CITY shall be as determined by the Sheriff. Nothing herein shall be deemed to limit the Sheriff's authority to move, transfer and/or discipline Sheriff's Office personnel as Sheriff in his/her discretion deems appropriate.

C. City Personnel Consultations and Recommendations. CITY may request to be consulted on the selection or replacement of the station Lieutenant, who will represent the Sheriff as Chief of Police, and any personnel for any position related to supplemental law enforcement services of a specialized nature that the CITY has requested. CITY may request review or transfer of Sheriff's personnel as a consequence of services and functions performed under this Agreement, and such request shall be considered in good faith by Sheriff in determining the appropriate course of action, if any. CITY may make these requests through the Station Lieutenant.

D. Employee Pay Issues. CITY shall not assume any liability for the direct payment of any salaries, wages or other compensation to any COUNTY personnel performing services hereunder for CITY, including liability for workers' compensation claims or injury or illness arising out of COUNTY personnel's performance of this Agreement (aside from costs included within the Deputy Sheriff Service Unit as defined in Exhibit A-1). Except as otherwise provided herein, no person employed by COUNTY hereunder shall have any rights to pension, civil service, or other status or right from CITY by virtue of this Agreement; and no CITY employee shall have any rights to pension, civil service or other status or right from COUNTY by virtue of this Agreement.

E. Orientation. Personnel assigned to CITY pursuant to the terms of this Agreement shall receive appropriate orientation regarding the special characteristics and needs of CITY. Training shall include familiarization with CITY municipal codes, key CITY staff and CITY departments that will interact with Sheriff personnel.

5. **Enforcement of Laws.**

Sheriff shall enforce the statutes of the State of California and the municipal police ordinances of CITY. When requested, Sheriff will assist in the enforcement of CITY Code provisions in cooperation with CITY'S staff and Code Enforcement personnel.

6. **Mutual Cooperation.**

To facilitate the delivery of services under this Agreement, COUNTY shall have full cooperation and assistance from CITY, its officers, agents and employees and CITY shall have full cooperation and assistance from COUNTY, its officers, agents and employees.

7. **Maintenance of Records.**

COUNTY shall keep reasonably itemized and detailed records and reports as required by law, grants and/or generally accepted accounting principles on behalf of CITY. CITY records shall be maintained by COUNTY pursuant to COUNTY practice and as required by law, and shall be available to CITY for inspection after reasonable prior notice to COUNTY. CITY understands and accepts that various records may be destroyed after specific time periods have passed and thus unavailable for inspection.

8. **Monthly and Annual Reports.**

Within Fifteen (15) working days after the end of each calendar month, COUNTY via the Sheriff's Law Enforcement Contract Services Bureau, shall provide CITY a monthly report of law enforcement service statistics as set forth in Exhibit A-2 hereto. These monthly reports will also be summarized in a quarterly report. COUNTY further shall provide CITY an annual report if/when applicable. COUNTY and CITY may work together to modify the format and content of the report as needed and when practical.

Exhibit A-1: Deputy Sheriff Service Unit

Sheriff's services are generally provided in the form of Deputy Sheriff Service Units (DSSU). One DSSU is equivalent to the sworn and support personnel required to staff one patrol position 24 hours a day for 1 year.

One Deputy Sheriff Service Unit equates to:

A sufficient number of Sheriff Deputies to provide for 24-hour coverage, seven days a week for one year, including relief (lost time). This equates to 8,760 hours of service to CITY a year per DSU ordered. If for any reason the Sheriff falls below 98% compliance in providing this level of service, CITY will not be charged for the shortage. CITY will also be entitled to an explanation for the shortage of service and a proposed resolution.

If CITY compliance rate goes above 112% for each of three consecutive months, CITY and COUNTY will meet and confer. If, subsequent to the meet and confer, the compliance rate remains above 112% for any additional consecutive calendar months but below the threshold for an additional Deputy Sheriff Service Unit, CITY will pay the percentage above 112%, at the Deputy Sheriff Service Unit rate for those consecutive calendar months. If and when CITY compliance rate falls below 112% for a calendar month, CITY will no longer pay the percentage above 112% at the Deputy Sheriff Service Unit rate unless and until the compliance rate once again remains above 112% for each of three consecutive calendar months and CITY and COUNTY meet and confer. This will apply to the current Agreement and any extension to the current Agreement.

Since timekeeping is a critical component of a DSU, COUNTY is committed to ensuring that COUNTY is appropriately tracking time. COUNTY agrees that it will provide training and updates to its sworn and support personnel and will also audit the timekeeping system periodically. CITY will be provided with monthly reports to demonstrate time compliance reporting as described in Exhibit A-2.

Additionally, all management, supervision, investigative support, administrative support, overtime and supply costs are included. This ensures that there are no unexpected cost increases to the CITY for the annual duration of the contract. The costs for all services and supplies, relief (lost time) factors, overtime, labor, and insurance costs will be calculated each year based on prior year actual costs and provided to CITY prior to the end of the current fiscal year.

The following are Supplemental Law Enforcement Services available for purchase, also referred to as menu items:

Deputy Sheriff

- Additional deputy to enhance patrol functions or focus on specific interests and needs of CITY.

School Resource Deputy

- Typical duties involve enforcement of state, local and education code laws.

- Liaison between school officials, City staff and the Sheriff's Office.
- Provide education classes to students, parents and community members impacted by the school.
- Complete School related projects as directed.
- Investigate youth related offenses related to the school on and off campus.

Community Resource Deputy

- Typically works as a liaison between CITY staff and Sheriff's personnel.
- Works cooperatively with the City Manager, or designee, and the Station Lieutenant; focuses on interests unique to the city.
- Develops crime prevention programs and provides public education and instruction.
- Typically assists with coordinating CITY sponsored events.

Detective

- Investigates general or specific criminal violation cases developed by patrol personnel.

Sergeant

- Supplemental supervision for groups of deputies assigned to similar duties or projects.

Administrative Office Professional

- Clerical staff assigned to process incident, crime and traffic reports.
- Responsible for records processing and information coordination with the District Attorney and other local state and federal agencies.

Sheriff's Service Technician

- Under general supervision performs a variety of non-sworn technical and clerical based administrative duties in the office and the field. Supports sworn law enforcement personnel by performing tasks that do not require a sworn deputy to perform.

Supplemental Law Enforcement Services include overhead costs. They can be provided with or without a relief factor.

Exhibit A-2: Monthly Sheriff's Report
List of Collected Statistics

Crime Report Statistics

Criminal Homicide	Forcible Rape
Robbery	All Assaults
Burglary- Residential	Burglary- Commercial
Burglary- Institutional	Burglary- All Others
Vehicle Theft	Vehicles Recovered
Theft	Theft- Value
Theft- Recovery Value	

Traffic Statistics

Accidents	Injury Collisions
Person Injured	Fatal Collisions
Persons Killed	Citations
DUI Arrests	AB321 Violations
Towed Vehicles	

Caseload

Felony Arrests	Misdemeanor Arrests
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Potential Homeless/Transient Contacts

Number of Contacts	Time Spent on Calls
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Deputy Sheriff Service Unit Hours

Time spent on calls for service
Time spent on report writing and administrative duties
Proactive patrol and Crime Prevention activities

Exhibit B: Payment Methodology

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Exhibit B: Payment Methodology

1. General Compensation.

A. Reimbursable Expenses. Subject to the terms of this Agreement, CITY shall pay to COUNTY the costs incurred by COUNTY in providing the services contracted for or otherwise authorized under the terms of this Agreement, including:

- Salaries and benefits of all COUNTY officers and employees engaged therein for positions defined in Exhibit A-1: Deputy Sheriff Unit;
- Direct supervision;
- Clerical support;
- Contract Law Enforcement Services Unit;
- Direct services and supplies;
- Department-applied overhead;
(a percent applied to salaries and benefits expenses only);
- A proportionate share of Law Enforcement Dispatch and Records;
- Management services;
- Any actual, additional costs associated with supplemental law enforcement services (as described in Exhibit A, Paragraph 3); and,
- Any other mutually agreed upon expense that arises during the term of the AGREEMENT. Examples include CITY'S request to participate in a COUNTY bid process, or sharing a purchasing contract for the purpose of quantity discount to the benefit of both parties.

B. COUNTY Obligations. CITY will not be billed for general overhead costs of operation of the County government until or unless authorized by applicable provisions of the then-current Government Code. COUNTY shall not charge CITY for any service or function performed by the COUNTY attributable to services made available to all portions of the County, such as Custody or Coroner services, as referenced in Exhibit A (2)(B).

2. Annual Recomputation of Compensation

A. Recomputation of General Law Enforcement Services. Except as otherwise specified hereinafter, the total amount charged for General Law Enforcement Services, as defined in Exhibit A, Paragraph 2, shall be recomputed annually with an estimate provided by COUNTY on or before November 1st of each calendar year for the following fiscal year, with the fiscal year defined as July 1st through June 30th. A final recomputation will be provided by COUNTY for the fiscal year beginning July 1st on or before January 15th of the same year. The recomputation calculation shall be determined by COUNTY based on actual costs of providing General Law Enforcement Services described in Exhibit A, Paragraph 2, from the previous fiscal year. The recomputation formula will specifically include actual

costs for items specified in Exhibit B, Paragraph 1. The total agreement amount for the applicable fiscal year will be effective July 1st of that fiscal year, subject to review by CITY as provided in Exhibit A, Paragraph 4, above. Staff representatives of COUNTY and CITY are advised to meet during the calculation process and prior to any formal presentation before their respective governing bodies. In the event cost increases will have a detrimental impact to the CITY'S budget, Sheriff will meet with CITY, upon its request, and discuss staffing adjustments to mitigate costs, provided service levels do not drop below safe levels as described in Exhibit A, section 2(B)(1).

- a. The annual cost computation will be provided to CITY as Exhibit E-1 and will be referred to as First (1st) Annual Cost Computation, Second Annual Cost Computation if this Agreement is extended, and Third (3rd) Annual Cost Computation if this Agreement is further extended.

B. Increases to Service Level Requested by City. In the event that CITY desires to increase the then-existing type or level of staffing provided under the terms of this Agreement - in addition to other procedures set forth in this Agreement - CITY will make a written request to COUNTY in December of each year for changes to be applied to the succeeding fiscal year. CITY'S request shall detail the specific type and level of staffing CITY desires, with CITY acknowledging that the costs of such services may impact the total, negotiated agreement for the relevant fiscal year. COUNTY shall review said annual request within thirty (30) days of COUNTY'S receipt thereof and acknowledge acceptance or rejection by letter to CITY'S Designated Representative. Upon notice from COUNTY of acceptance or partial acceptance of said request, and the cost of providing the type or level of staffing therein agreed upon, the parties shall prepare and execute a written amendment to this Agreement as to the terms and conditions set forth in said annual request and acceptance; all other terms set forth in this Agreement shall continue in full force and effect. In the event COUNTY rejects all or any portion of said annual request, the then-existing type and level of staffing shall remain in full force and effect, as modified by the acceptable portions of said annual request, until such time that the parties reach agreement as to the rejected portions of said annual request. An increase in level of service recommended by COUNTY, or decrease requested by CITY, is subject to the procedures set forth in Paragraph 2 of Exhibit A and not this Paragraph.

C. Payment Process. The total estimated cost for the applicable fiscal year will be divided by twelve (12) months and invoiced monthly to CITY for full payment on or before the 25th of the applicable month in which services are rendered. For example, law enforcement services provided in the month of July are due July 25th. The purpose of this specific due date is to match earned obligations with earned receipts in the same accounting period, which benefits both parties administratively. CITY'S payment shall be made by check or electronic transfer. A check shall be made payable to the order of, "Santa Barbara County Sheriff's Office" and mailed to the COUNTY address specified in Paragraph 1, Designated Representative, unless otherwise directed in writing by COUNTY. If such payment is not delivered to the COUNTY office within thirty days of the respective due date, COUNTY is entitled to recover interest thereon. Said interest

shall be assessed using the COUNTY'S pooled interest rate in effect at the time; it shall commence thirty (30) days after the date of the invoice and continue until such time as the payment is delivered to the COUNTY office described on said invoice.

D. Revised Exhibit E. A revised Exhibit "E", (to be called Exhibit E-1, E-2, etc., and dated with the effective date of said Exhibit) shall be provided by COUNTY to CITY showing rate adjustments and the consequent adjustment in monthly compensation due COUNTY whenever there is any recomputation of compensation due COUNTY. Any such revised Exhibit E shall constitute an amendment to this Agreement upon signature by the City Manager, or his designee, and the Sheriff on behalf of the COUNTY. The format of Exhibit E may be revised from time-to-time according to current accounting practices, service changes, CITY-requested changes in format or other unforeseen circumstances at the time of this Agreement.

E. Future Annexation. In the event that CITY annexes any new area near the incorporated City limits, COUNTY will continue or begin to provide law enforcement services to that annexed area under the terms of this Agreement. Additionally, within thirty (30) days of applicable annexation, the compensation due to COUNTY by CITY will be adjusted to serve the newly-annexed area(s).

3. **Additional Law Enforcement Services.**

A. Annual Agreement. CITY costs for One-time or Periodic Law Enforcement Services, as defined in Exhibit A, Paragraph 3, will not be included in the total Agreement amount.

B. Estimates. CITY may request an estimated cost from COUNTY as described in paragraph 2(A) for budget preparation and planning purposes for the fiscal year or in advance of a planned event. CITY understands and accepts that such an estimate in no way represents any minimum or maximum charge to CITY.

C. Cost Tracking & Invoicing. The actual, costs related to providing additional or special law enforcement services will be tracked through the COUNTY'S Financial System (currently referred to as "FIN") and reviewed prior to preparing a summary invoice. COUNTY will send an invoice to CITY within 90 days of the conclusion of the work performed. A detailed listing of these charges will be kept on file at the COUNTY office and made available to CITY upon written request. These records will be maintained for a period of one year after the date of the original invoice.

D. Payment Process. CITY payment for Additional or Supplemental Law Enforcement Services is due to the COUNTY within thirty (30) days of the date of the invoice. Payment will be made payable to: "Santa Barbara County Sheriff" and mailed to: Santa Barbara County Sheriff Dept., Attention: Business Office, P.O. Box 6427, Santa Barbara, CA 93160-6427. If such payment is not delivered to the COUNTY office within thirty days after the date of the invoice, COUNTY is entitled to recover interest thereon. Said interest shall be assessed using the COUNTY'S pooled interest rate in effect at the

time; it shall commence thirty (30) days after the date of the invoice and continue until such time as the payment is delivered to the COUNTY office described on said invoice.

4. Miscellaneous

A. Booking Fees. CITY will not be responsible for the payment of booking fees to COUNTY.

B. Third Party Reimbursements. CITY may seek direct reimbursement of Supplemental Law Enforcement Services from a third party when applicable. An example of an applicable situation occurs when CITY collects a fee or deposit from a film crew, pays COUNTY for services provided, and then charges the film crew for the expense from the deposit.

C. Facilities. COUNTY makes no guarantees regarding the negotiation of gratis "Store Front" facilities within the City for law enforcement use.

D. Capital Improvements. COUNTY makes no guarantees regarding law enforcement-related capital improvements within the City.

E. Other Law Enforcement Agencies. COUNTY makes no guarantees regarding the ability to negotiate services from other law enforcement agencies on behalf of CITY.

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Exhibit C: Cost Model

The cost model determines the cost of a Deputy Sheriff Service Unit based on the actual hourly cost of a Sheriff Deputy, which includes both direct and indirect costs of providing one hour of law enforcement services. This actual hourly cost is then multiplied by 8,760 hours in order to equate to the annual cost of one Deputy Sheriff Service Unit, as described in Exhibit A-1. The annual cost of one Deputy Service Unit is then multiplied by the quantity of Deputy Sheriff Service Units purchased by CITY to determine the total annual cost for general law enforcement services to be included in the total contract amount for the applicable fiscal year. The direct and indirect costs of providing one hour of law enforcement services are determined as follows:

1. Direct cost of a Sheriff Deputy. This is the average actual hourly cost of salary and benefits paid to the Sheriff Deputy employee classification for law enforcement services. The direct cost of a Sheriff Deputy excludes all costs of Sheriff functions which are made available to all portions of the County, such as custody and coroner, as well as all law enforcement programs and projects that are reimbursable from other sources.

2. Direct cost of support to a Sheriff Deputy. This is the average actual hourly cost of salary and benefits paid to the employee classifications that provide direct support to a Sheriff Deputy for one hour of work. This includes the chain of command supervising and managing a Sheriff Deputy (Sergeants, Lieutenants, Commanders, Chief) as well as other direct support staff. The direct cost of support to a Sheriff Deputy also excludes the functions, programs and projects excluded from the direct cost of a Sheriff Deputy.

3. Anticipated salary and benefits increases. The direct cost of a Sheriff Deputy and the direct cost of support to a Sheriff Deputy are estimated for the next fiscal year based on the prior fiscal year's actual average costs. In order for these estimated costs for the next fiscal year to more closely match the actual average costs for the next fiscal year, the prior year actual average costs are adjusted for anticipated salary and benefit increases, such as negotiated cost of living increases and projected employer pension contribution changes. These adjustments help reduce the amount of any true-up required, as explained in 7. below, in order to match estimated costs billed to actual costs incurred.

4. Direct services and supplies and other charges. This is the actual hourly cost per a Sheriff Deputy of direct services and supplies and other charges incurred for law enforcement. This includes equipment maintenance, vehicle fuel, training, motor pool charges, liability insurance, and various other law enforcement expenditures. This also excludes any expenditures for functions, programs and projects that are excluded from the direct cost of a Sheriff Deputy.

5. Indirect Cost of Support and Administration. This is determined using the indirect cost rate calculated for the Sheriff's Support and Administration Division, including Cost Allocation Plan charges applied to Sheriff Law Enforcement. This rate is applied to the direct cost of a Sheriff Deputy and the direct cost of support to a Sheriff Deputy in order to determine the indirect costs applicable to law enforcement services. The rate is calculated annually by the Sheriff's Office in accordance with federal cost principles and reviewed by the Auditor-Controller. The rate used for

determining indirect costs billable to cities excludes any costs that are general overhead costs of operation of the County government.

6. Public safety dispatch costs. This is the CITY's proportionate share of the Sheriff's public safety dispatch costs allocated to law enforcement. The CITY's share of these costs are based on the total hours purchased by the CITY as a percentage of the Sheriff's total law enforcement hours

7. True-up to actual cost. Because the cost model estimates the costs for next year based on the prior year actual costs, a comparison of what was estimated and billed for next year and what the costs actually are will be performed after the close of next year. The difference, whether positive (due to actual costs exceeding estimated costs) or negative (due to estimated costs exceeding actual costs), is then included in the costs estimated for two years later in order to true-up the estimated costs billed next year to the actual costs incurred.

8. Sheriff's Law Enforcement Contract Services Bureau. This is the CITY's proportionate share of the Sheriff's Contract Law Enforcement Unit costs. The CITY's share of these costs are based on the total hours purchased by the CITY as a percentage of the Sheriff's total law enforcement hours.

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Exhibit D: Special Indemnification & Insurance Provisions

The purpose of Exhibit D is to address liability & insurance issues.

1. Indemnification

- A. Indemnification by CITY. CITY shall indemnify, defend and hold COUNTY and COUNTY'S agents, officers, elected officials, employees and volunteers, harmless from and against all claims, damages, losses, causes of action and expenses, including attorney's fees, for any personal injury, bodily injury, loss of life or damage to property, violation of any federal, state or municipal law, ordinance or constitutional provisions, including those circumstances where COUNTY lawfully enforces municipal ordinances that are later deemed or declared unconstitutional, or other cause which arises out of, relates to or results from the activities or omissions, negligent or otherwise, under this Agreement of CITY, and CITY'S officers, agents, elected officials and employees.
- B. Indemnification by COUNTY. COUNTY shall indemnify, defend and hold CITY, and CITY'S agents, officers, elected officials, and employees, harmless from and against all claims, damages, losses, causes of action and expenses, including attorney's fees, for any personal injury, bodily injury, loss of life or damage to property, violation of any federal or state constitutional provisions, or other cause which arises out of, relates to or results from the activities or omissions, negligent or otherwise, under this Agreement of COUNTY, and COUNTY'S officers, agents, elected officials, employees and volunteers, including performing or authorizing the performance of, or in failing to perform or authorize the performance of any work, services or functions provided for, referred to in or in any way connected with any work, services or functions to be performed under this Agreement.
- C. No Agency. Except as otherwise specified herein, for the purposes of this section, CITY shall not be deemed to be COUNTY'S agent and COUNTY shall not be deemed to be CITY'S agent.
- D. Notification. Each party shall give the other prompt notification when it first learns of an incident or occurrence covered, or likely to be covered, under the terms of this section, as well as prompt notification if a claim is made or suit is brought against a party based on an incident or occurrence covered, or likely to be covered, by the terms hereof.
- E. Continuing Obligation. To the extent that COUNTY has agreed to indemnify, defend and hold harmless CITY, its officers, agents and employees under this Agreement, said obligations shall continue to exist during the term of this Agreement and subsequent to this Agreement for those acts or omissions giving rise to liability which occurred during this Agreement. To the extent that CITY has agreed to indemnify, defend and hold harmless COUNTY, its officers, agents, elected officials, employees

and volunteers under this Agreement, said obligations shall continue to exist during the term of this Agreement and subsequent to this Agreement for those acts or omissions giving rise to liability which occurred during this Agreement.

2. Insurance.

Each party shall maintain its own insurance coverage, through commercial insurance, self-insurance or a combination thereof (which may include insurance through a joint powers insurance authority), against any claim, expense, cost, damage, or liability arising out of the performance of its responsibilities pursuant to this Agreement.

Minimum Scope of Insurance for both Parties to the Agreement.

Coverage shall be at least as broad as:

- A. Commercial General Liability (CGL). Insurance on an “occurrence” basis, including products-completed operations, personal & advertising injury, with limits no less than \$2,000,000 per occurrence and \$4,000,000 in the aggregate. Each party shall name the other party as an additional insured on its policy.
- B. Automobile Liability. Insurance covering any auto with policy limits no less than \$2,000,000 per accident for bodily injury and property damage.
- C. Workers’ Compensation. Insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease
- D. Primary Coverage. For any claims related to this Agreement, the indemnitor’s insurance coverage shall be primary insurance as respects the indemnitee, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the indemnitor, its officers, officials, employees, agents or volunteers shall be excess of the indemnitee’s insurance and shall not contribute with it.

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Exhibit E: Agreements Specific to the City of Goleta

The purpose of this section is to incorporate into this agreement needs specific to the City of Goleta

The Sheriff on behalf of the County has endeavored to create a standardized law enforcement service agreement that reflects similar costs for similar services. At the same time it is recognized that some cities will have unique needs that may not be included in a standardized agreement. This section is designed to reflect any special needs or services the individual city requests.

1. Selection of Staff

In addition to the City Personnel Consultations and Recommendations listed in Exhibit A, section 4(C), CITY and COUNTY agree that the selection, hiring, training, supervision, discipline and/or control of all Sheriff's Office personnel performing the services required by this Agreement shall be at all times within the sole and exclusive discretion of the appropriate chain-of-command within the Sheriff's Office. The Sheriff's Office may consult with the CITY regarding the selection of personnel to work in the CITY. COUNTY acknowledges that CITY requests tenured and/or reasonably experienced personnel with the requisite skills and knowledge to address the law enforcement needs and concerns of the CITY in the same professional and efficient manner as they would if they were members of the CITY's own police department. CITY may also provide input on the transfer of Sheriff personnel into and out of the CITY assignment.

Sheriff shall, upon consultation with the CITY's Manager and/or Designee, appoint and designate a member of its department holding the rank of Lieutenant or above, as CITY Chief of Police. CITY may also provide Sheriff with recommended or requested personnel for the Police Chief position and Sheriff will make a reasonable effort to accommodate such recommendation or request subject to existing resources and needs of the Sheriff's Office. CITY may also participate and consult with the Sheriff in the process for the selection of the Traffic Sergeant, Community Resource Deputy and School Resource Deputy, positions totally or partially funded by the CITY.

2. Significant Cost Computations

Sheriff recognizes that cities have little input on COUNTY labor negotiations and other costs that are passed on to cities. If the annual cost computations defined in Exhibit B Section 2, will have a substantial impact on the CITY budget, as determined by CITY, Sheriff will assist CITY with staffing recommendations to limit costs in addition to staffing recommendations listed in Exhibit A, Section (2)(B).

3. Asset Seizures

CITY funds a dedicated narcotics investigator/detective and COUNTY and CITY agree to the following transfer of funds related to asset seizures.

A. Federal and/or State Seizure funds distributed back to the Sheriff's Office stemming from cases arising within the incorporated areas of the City of Goleta shall be shared with the CITY in accordance with applicable State and or Federal laws, and as provided in this Agreement. The CITY is responsible for executing any and all Agreements, Guidelines and/or reports required under applicable State and/or Federal laws for the request for and distribution of seized assets, however, COUNTY law enforcement personnel will cooperate with and assist the CITY in preparing all required documentation. The distribution of funds obtained through asset forfeiture cases shall be divided between the CITY and COUNTY based on the following formula:

1. Cases resulting from arrests or activities of any personnel assigned as a DSSU to CITY pursuant to this Agreement, including a narcotics detective (menu item):

80% to CITY

20% to COUNTY (for its administrative costs)

2. Narcotic cases resulting from narcotic investigator activity (except City-funded personnel):

50% to CITY

50% to COUNTY

3. Other cases involving multiple agencies or task forces, cases originating from a jurisdiction outside the CITY, investigations where Sheriff is assisting and not the primary agency, or large complex investigations typically requiring extensive investigative resources will be negotiated on a case by case basis.

4. COUNTY will provide the CITY with an Asset Forfeiture Report involving cases with the CITY in June and December of every year.

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Exhibit E-1

Annual Cost Computation

Fiscal Year 2019-20

Goleta

DSU Summary - Contract Cost Hours Purchased 26,280

Patrol Costs	Hourly Rate	Total Contract Cost
<i>Deputy Costs</i>		
Deputy S&B Cost	95.23	2,502,644
Indirect Rate @ 7.51%	7.15	187,902
Cost Inflation @ 3%	3.07	80,680
<i>Deputy S&B Cost</i>	<i>105.45</i>	<i>2,771,226</i>
<i>Patrol Support</i>		
SHERIFFS SERGEANT	20.50	538,740
SHERIFFS LIEUTENANT	3.36	88,301
ADMN OFFICE PRO II	3.57	93,820
 SHERIFFS COMMANDER	 3.13	 82,256
ADMN OFFICE PRO SR	0.96	25,229
CHIEF DEPUTY SHERIFF	0.16	4,205
SHERIFF'S SERVICE TECH-LAW ENFORCE	0.17	4,468
Indirect Rate @ 7.51%	0.02	526
Cost Inflation @ 3%	0.01	263
<i>Patrol Support S&B</i>	<i>31.88</i>	<i>837,806</i>
<i>Direct Patrol S&S</i>	<i>10.76</i>	<i>282,773</i>
Total Patrol Cost	148.09	3,891,805

Law Enforcement Support Costs (includes S&B, Indirect, Inflation, and S&S Costs)**Investigations**

General Investigations	22.73	597,344
SOD, Narcotics	4.10	107,748
SOD, Intelligence	0.86	22,601
Gang Team	0.34	8,935
SOD, High Tech Crime Unit	1.68	44,150
Total Investigations	29.71	780,779

Information Services Bureau	6.40	168,192
Forensics	5.08	133,502
Property & Evidence	2.41	63,335
Crime Analysis Unit	0.77	20,236
Cal ID Program	0.06	1,577
Total Law Enforcement Support	44.43	1,167,620

Hourly DSU Contract Rate

Menu Items	2,208,145
Dispatch	310,593
DSU Admin	69,340
Total Contract	7,647,503

Goleta - Menu Items Detail FY 19-20

Position	Reimbursable Cost
Non Relief Traffic Sergeant	238,751
Non Relief Traffic Sr. Deputy	207,090
Non Relief Traffic Deputy 1	203,796
Non Relief Traffic Deputy 2	203,796
Community Resource Deputy	184,475
School Resource Deputy	184,475
Narcotics Detective	206,573
Sheriff's Service Tech	97,387
Indirect Costs	114,628
Total S&B	1,640,970
Patrol Support	
ADMN OFFICE PRO II	48,646
ADMN OFFICE PRO SR	13,108
CHIEF DEPUTY SHERIFF	2,196
CRIME SCENE TECHNICIAN I	66
EXTRA HELP SPECIAL	32
SHERIFFS COMMANDER	42,715
SHERIFFS LIEUTENANT	45,903
SHERIFFS SERGEANT	279,601
SHERIFF'S SERVICE TECH-LAW ENFORCE	2,368
Services and Supplies	132,538
	567,174
Total Menu Costs	2,208,145

Attachment 1

Amendment No. 1 to the Law Enforcement Services Agreement
Between the City of Goleta and the County of Santa Barbara

**AMENDMENT NO. 1
TO THE CONTRACT LAW ENFORCEMENT SERVICES AGREEMENT
BETWEEN THE CITY OF GOLETA
AND
THE COUNTY OF SANTA BARBARA**

This Amendment No. 1 (“First Amendment”) to the Contract Law Enforcement Services Agreement (“Agreement”) is effective as of this 1st day of July 2021, (“Effective Date”) by and between the City of Goleta (“CITY”) and the County of Santa Barbara (“COUNTY”). CITY and COUNTY are sometimes individually referred to as “Party” and collectively as “Parties.”

RECITALS

- A.** The Agreement sets forth the terms and conditions under which COUNTY would provide law enforcement services to the CITY. The term of the Agreement is from July 1, 2019 through June 30, 2023, and only includes costs accrued and invoiced within this period.
- B.** CITY submitted a notice of dispute (“Notice of Dispute”) on February 11, 2021, attached hereto as Exhibit 1, initiating the dispute resolution process under Section 26 of the Agreement to resolve a dispute between the Parties regarding the (i) calculation and amount of the annual cost computation (“Contract Costs”) for fiscal year (“FY”) 2021-2022 (“FY 21/22 Contract Costs”), and (ii) “true-up” costs (“True-Up Costs”) assessed in excess of the CITY’S base contract hours, as set forth in Exhibit A-1 to the Agreement, (“Base Contract Hours”) for FY 18/19 (“FY 18/19 True-Up Costs”).
- C.** With the exception of Section II.3 of this First Amendment (titled “Improved Data Reporting”), this First Amendment solely applies to FY 21/22 Contract Costs, FY 18/19 True-Up Costs, and FY 19/20 True-Up Costs. This First Amendment has no bearing, effect, or impact, and does not reflect any agreement among the Parties, on FY 22/23 Contract Costs, the calculation or existence of FY 20/21 True-Up Costs, or on the negotiation of any future contract law enforcement services agreement between the Parties.
- D.** Neither the CITY’S agreement to pay a portion of FY 19/20 True-Up Costs, nor anything else in this First Amendment, shall be interpreted to mean that the CITY agrees with the imposition, methodology, calculation, or amount of any previous or future True-Up Costs. Neither the COUNTY’S agreement to reduce a portion of the FY 19/20 True-Up Costs, agreement to the \$210.65 FY 21/22 hourly rate, nor anything else in this First Amendment, shall be interpreted to mean that the COUNTY agrees with use of such methodology, calculation, or amount when calculating or determining any future True-Up Costs or hourly rate.
- E.** After several extended negotiation sessions, the Parties have come to an agreement on the following terms, which are set forth in more detail in the terms of this First Amendment.
 - FY 21/22 Contract Costs. The Parties have come to an agreement as to the total amount of the FY 21/22 Contract Costs, which total \$8,607,721. This amount

includes agreement on a 50% reduction in true-up costs for FY 19/20 (“FY 19/20 True-Up Costs”), an hourly rate of \$210.65, and two years of inflation at 3% per year and is further detailed in Exhibit E-3 attached hereto.

- **FY 18/19 True-Up Costs.** The COUNTY agrees to withdraw its request for payment of FY 18/19 True-Up Costs in excess of the CITY’S Base Contract Hours, which were invoiced in FY 20/21 in the amount of \$242,888. The CITY shall not be required to pay for FY 18/19 True-Up Costs in excess of the Base Contract Hours.

F. The Parties desire to amend the Agreement to reflect the Parties’ agreement as to the terms set forth in Recital E above.

G. The Parties also intend to enter into good faith discussions beginning in August regarding negotiation of a new contract law enforcement services agreement for FY 23/24 and beyond and intend to begin negotiations no later than November 2021 for FY 22/23 Contract Costs.

NOW, THEREFORE, the Parties hereby amend the Agreement as follows:

I. Incorporation of Recitals. The Parties agree the foregoing recitals are true and correct and are hereby incorporated by reference.

II. Terms. The Parties agree to the following amendments to the Agreement:

1. Section 6. Section 6 of the Agreement, titled “COMPENSATION OF COUNTY,” is hereby amended in full to read as follows:

6. COMPENSATION OF COUNTY. COUNTY shall be paid for performance under this Agreement in accordance with the terms of **Exhibit B and C** attached hereto and incorporated herein by reference. Notwithstanding the foregoing, the Parties have agreed that the CITY’S total FY 21/22 Contract Costs will be \$8,607,721. The CITY’S agreed-upon FY 21/22 Contract Costs are further detailed in Exhibit E-3 “Annual Cost Computation Fiscal Year 2021-22.”

2. Exhibit C. “Exhibit C: Cost Model” of the Agreement is hereby replaced, superseded, and amended in full to read as attached hereto in Exhibit 2.

3. Improved Data Reporting. Beginning in FY 21/22, the COUNTY agrees to provide CITY with more detailed compliance data depicting use of law enforcement services within its jurisdiction. In addition to the compliance data, upon request by CITY, COUNTY shall provide narrative descriptions of call for service data and a chance for the CITY to meet to discuss the data and what it represents so that the CITY has a full understanding of the services being provided and charged to the CITY.

4. Exhibit E-3. “Exhibit E-3 Annual Cost Computation Fiscal Year 2021-22,” attached hereto, is hereby added to and made a part of the Agreement. This Exhibit E-3 shall replace and supersede any preceding Exhibit E-3 to the Agreement.
5. No Precedent. Nothing herein shall be construed as precedent for applying or interpreting the provisions of Exhibit C on the negotiation of FY 22/23 Contract Costs or on any future contract law enforcement services agreement between the Parties. This First Amendment has no bearing, effect, or impact, and does not reflect any agreement among the Parties, on FY 22/23 Contract Costs, the calculation or existence of FY 20/21 True-Up Costs, or on the negotiation of any future contract law enforcement services agreement between the Parties.

III. General Provisions.

1. Authority to Bind. Each Party warrants that the individuals who have signed this First Amendment have the legal power, right and authority to agree to this First Amendment and bind each respective Party.
2. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
3. Entire Agreement. This First Amendment represents the entire understanding of the Parties with respect to the FY 21/22 Contract Costs, the FY 18/19 True-Up Costs, the FY 19/20 True-Up Costs, and the “Improved Data Reporting” described in Section II.3 of this First Amendment. This First Amendment supersedes and cancels any prior oral or written understanding, promises or representatives with respect to those matters covered in this First Amendment, and it shall not be amended, altered or changed except by a written agreement signed by the Parties hereto.
4. Full Force and Effect. Except as amended by this First Amendment, all other provisions of the Agreement not in conflict with the terms of this First Amendment shall remain in full force and effect.
5. Severability. If any provision of this First Amendment shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this First Amendment unless elimination of such provision materially alters the rights and obligations set forth herein.
6. Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this First Amendment.
7. Mutual Waiver, Release, and Covenant Not to Sue. CITY, on its own behalf, and on behalf of its agents, servants, employees, officers, directors, administrators,

representatives, elected officials, attorneys, departments, divisions, and agencies, waives, releases, and covenants not to commence, maintain, join, or authorize any Claim or Legal Action (as defined in the following sentence) against the Santa Barbara Sheriff's Office, the COUNTY, and/or the COUNTY'S agents, servants, employees, officers, directors, administrators, representatives, elected officials, attorneys, departments, divisions, and agencies. Claim or Legal Action as used herein refers to any cause of action, dispute, breach or grievance pertaining to the FY 21/22 Contract Costs, FY 18/19 True-Up Costs, and FY 19/20 True-Up Costs, including but not limited any claim encompassed by the CITY'S February 11, 2021 Notice of Dispute ("Claim or Legal Action"). CITY understands that it may later discover facts different from, or in addition to, those it presently knows, believes, or suspects to be true concerning the subjects or consequences of this First Amendment, and further understands that, despite any such discoveries, it will remain bound by this First Amendment.

COUNTY, on its own behalf, and on behalf of its agents, servants, employees, officers, directors, administrators, representatives, elected officials, attorneys, departments, divisions, and agencies, waives, releases, and covenants not to commence, maintain, join, or authorize any Claim or Legal Action (as defined in the preceding paragraph) against the CITY and/or the CITY'S agents, servants, employees, officers, directors, administrators, representatives, elected officials, attorneys, departments, divisions, and agencies. COUNTY understands that it may later discover facts different from, or in addition to, those it presently knows, believes, or suspects to be true concerning the subjects or consequences of this First Amendment, and further understands that, despite any such discoveries, it will remain bound by this First Amendment.

With respect to the Claims and Legal Actions that are the subject of the mutual releases set forth in this First Amendment, the Parties expressly waive all rights under Civil Code section 1542, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment as of the last date written below.

CITY OF GOLETA

By: _____
PAULA PEROTTE
MAYOR OF GOLETA

Date: _____

ATTEST:
DEBORAH LOPEZ
CITY CLERK

By: _____

APPROVED AS TO FORM:
MICHAEL JENKINS
CITY ATTORNEY

By: _____

COUNTY OF SANTA BARBARA

By: _____
BOB NELSON
CHAIR, BOARD OF SUPERVISORS

Date: _____

ATTEST:
MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: _____

APPROVED AS TO FORM
RACHEL VAN MULLEM
COUNTY COUNSEL

By: _____

APPROVED AS TO FORM:
RAY AROMATORIO
RISK MANAGER

By: _____

APPROVED AS TO FORM:
BETSY M. SCHAFER
AUDITOR-CONTROLLER

By: _____

APPROVED AS TO FORM:
SHERIFF BILL BROWN
SANTA BARBARA SHERIFF'S OFFICE

By: _____

Exhibit 1
to First Amendment

“NOTICE OF DISPUTE”



February 11, 2021

Sheriff Bill Brown
P.O. Box 6427
Santa Barbara, CA 93160

CITY COUNCIL

Paula Perotte
Mayor

James Kyriaco
Mayor Pro Tempore

Roger S. Aceves
Councilmember

Stuart Kasdin
Councilmember

Kyle Richards
Councilmember

CITY MANAGER
Michelle Greene

RE: Contract Dispute Concerning the Agreement to Provide Law Enforcement Services between the City of Goleta and County of Santa Barbara

Dear Sheriff Brown:

Pursuant to Section 26 of the Agreement to Provide Law Enforcement Services between the City of Goleta and County of Santa Barbara ("Agreement"), please accept this letter as formal notice of a contract dispute.

On November 10, 2020, the County of Santa Barbara Sheriff Office ("Sheriff's Office") informed the City of Goleta ("City") that the Sheriff's Office was estimating a 5.5% increase in contract costs for law enforcement services for fiscal year ("FY") 2021-2022. However, on January 14, 2021, the Sheriff's Office provided the final annual recomputation for FY 2021-2022, which reflected a significantly larger cost increase of approximately 30%. As of right now, it is the City's position that this exorbitant proposed increase resulted from use of a cost formula that deviates from the terms of the Agreement. Furthermore, the City asserts that the County has failed to satisfy its contractual obligation to facilitate and participate with the City in the collaborative process required by the Agreement and designed to enable relatively predictable cost increase forecasts and subsequent City budgetary decisions. This failure, evidenced by the dramatic shift from a 5.5% increase to a 29.4% increase over the course of a mere two months, frustrates the very purpose of the Agreement, and necessitates further discussions.

The FY 2021-2022 Costs Were Improperly Calculated and Assessed

The Agreement includes specific direction for calculating the annual recomputation. And, thus far, the Sheriff's Office has not adequately demonstrated compliance with this process. The City contracts for three (3) regular Deputy Sheriff Service Units ("DSSU"). A DSSU includes 8,760 hours annually, which equates to a total of 26,280 total hours per year. On September 30, 2020 the Sheriff's Office advised the City that it would be increasing the City's contracted for hours to 27,532 based on the City's hourly overages in

previous years. As a threshold concern, the Sheriff's Office has not provided documentation that sufficiently details how much time was worked, by whom this time was worked, and for what purposes this time was worked to support these prior hourly overages. And without this documentation the City cannot determine whether additional DSSU time has been correctly allocated to the City. Second, and more importantly, the overall computation itself violates the terms of the Agreement, which does not allow the Sheriff's Office to assess hourly overages on an ongoing basis.

Under Exhibit A-1 of the Agreement, the City is only required to pay for DSSU hourly overages if the compliance rate exceeds 112% for three consecutive months in a calendar year and only after the parties have engaged in a mandatory meet and confer. Upon this occurrence, the City would then be obligated to pay the percentage above 112% "at the Deputy Sheriff Service Unit rate *for those consecutive calendar months*." The City's payment at the DSSU rate of the percentage above 112% for those calendar months, in which the overage occurs, is the County's sole remedy, under the Agreement, for hourly overages. In fact, the Agreement specifically states that when the City "compliance rate falls below 112% for a calendar month, [the City] will no longer pay the percentage above 112% at the DSSU rate unless and until the compliance rate" again exceeds 112% for three months. This Section of the Agreement thereby specifies the County's one and only remedy for recouping the cost of hours that exceed the compliance rate.

To be more explicit, the incorporation of any hours that exceed 100% compliance in the True-Up computation model set forth in Section 7 of Exhibit C, is *not* the County's contractual remedy for recouping hours over the compliance rate. Rather, Section 7 of Exhibit C, allows the County to true-up the rate of a DSSU hour to reflect the actual cost of providing that hour. Therefore, the only circumstance, in which the True-Up would bear on the recoupment of hours over 100% compliance would be to increase the rate at which hours over 112% for three consecutive months would be paid to the County. Furthermore, the Agreement does not allow the County to unilaterally increase the 26,280 hours, for which the City has contracted. In fact, in the September 30, 2020 letter, the Undersheriff states that "the contract does not explicitly state this assumption" and that it would need to be reflected "in *future* law enforcement agreement language." Thus, an adjustment to the total number of contracted for hours would require an amendment to the contract, which, as you are aware, requires the consent of both parties.

In addition to the above concerns, the Sheriff's Office also applied a three percent (3%) inflationary adjustment factor—twice. The Sheriff's Office may have included this inflationary adjustment factor in an attempt to incorporate estimated rate increases associated with actual salary and benefit adjustments. And, if this is the case, the City may benefit in the short term from these relatively low estimates. However, this methodology only further exposes the City to volatile future rate increases when the Sheriff inevitably does include the actual salary and benefit cost increases. Thereby, the substitution of these inflationary adjustment factors only further inhibits the City's ability to incorporate reasonable cost projections into future budgetary plans. Furthermore, nowhere does the Agreement provide for the application of this inflationary adjustment. Therefore, in the absence of supporting reference, in the Agreement, the City fundamentally disagrees that a 3% inflationary adjustment can be applied at all, much less twice, without amending the Agreement.

The Sheriff's Office Has Failed to Engage in the Collaborative and Transparent Process Required by the Agreement

The purpose of this Agreement was to provide a transparent, collaborative, and coordinated process of developing, evaluating, and planning for future contract service levels and costs. The City depends on the County's fidelity to this collaborative process, and, when the County fails to meet its contractual obligations to facilitate and participate in this process, the very purpose of the Agreement is frustrated.

The structure of this collaborative process runs throughout the fabric of the Agreement, but it can be seen most prominently in the County's contractual duties. For example, Section 2A of Exhibit B of the Agreement requires the County to provide a recomputed cost estimate to the City no later than November 1 of each year before providing a final recomputation on or before January 15 of the fiscal year. The provision of this initial cost estimate serves the vital purpose of allowing the City adequate time to plan for and incorporate any future cost adjustments into the City's budget. To that end, the Sheriff is further required, under Section 2 of Exhibit E, to work with the City in the event that the annual cost computations would have a substantial impact on the City budget, as determined by the City. Moreover, the very structure of the DSSU model, which provides the fundamental information necessary to determine with some accuracy the hours of service provided, is meant to provide the City with the ability to make reasonable estimates and projections, independent of the County's eventual cost recomputation, regarding how service and cost levels may fluctuate in the coming years.

In short, this Agreement was explicitly designed to guard against the precise position in which the City now finds itself. Having blindsided the City, at the last possible moment, with a proposed cost increase of nearly 30%, the Sheriff's Office has evaded the Agreement's many safeguards and thereby placed the City in the untenable position of either accepting costs, for which the City—rightfully so—did not budget, or accepting a dramatic and dangerous decrease in services levels. Given the history of this Agreement, the City had no reason to expect and, more importantly, no reason to plan for such an exorbitant proposed cost increase. In fact, past years' recomputation have resulted in cost increases well below 5%. And furthermore, in the letter dated September 30, 2020, the Undersheriff made assurances that a consultant had been hired for the very purpose of avoiding any further missed deadlines, thereby relieving the City of future untimely surprises. But instead, the County Sheriff has failed to abide by the terms of the Agreement and has thereby undermined the Agreement's purpose of providing the City with the ability to predict and budget for future cost increases.

The Sheriff's Office has failed to provide the City timely access to the information and data, on which these excessive proposed contract cost increases are based. While we appreciate the access given to the information provided on February 5, 2021, the provision of this information at this point does not provide the City sufficient time to perform its own analysis of the cost computation methodology uses. As a result, at this time, the City is unable to estimate the actual amount in dispute. However, the City hereby reserves the right to provide the precise disputed amount once the City has had the opportunity to thoroughly review the information and data provided. Furthermore, given the lack of transparency and collaboration offered by the County thus far, the City anticipates and expects that a more in-depth review of the methodology and

support for the proposed cost increases will give rise to additional grounds for dispute. Thus, the City also hereby reserves the right to raise further challenges arising in any way from the County's past, present, or future conduct during this process of determining the City's 21-22 FY costs. And, to facilitate the City's review of the Sheriff's Office's methodology and support for its proposed cost increases the City requests that the County immediately provide the City with the following documents and information:

1. FIN reports showing expenditures by line item for salaries and benefits charged in FY 17/18 through FY 19/20. The cost model data provided does not show the specific salary and benefit line items within the public safety personnel cost data, but rather show the total regular costs and overtime only in aggregate by position;
2. A report and/or memorandum that identifies, explains and justifies all expenditure increases between FY 20/21 and FY 21/22 by line item;
3. Any and all documents determining, calculating, or otherwise demonstrating or prepared for the purpose of demonstrating the Sheriff's Offices' FY 18/19 actual expenditures;
4. Any and all documents determining, calculating, or otherwise demonstrating or prepared for the purpose of demonstrating the Sheriff's Offices' FY 19/20 actual expenditures;
5. The contract for services between the Sheriff and Natelson Dale Group, Inc.;
6. The RFP to which Natelson Dale Group, Inc. responded; and
7. Copies of Natelson Dale Group, Inc.'s final report and the data on which the consultant relied.

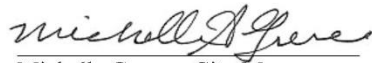
Until, at a minimum, the City has had an opportunity to independently validate and confirm the data that has been provided and the information that is being requested, the City cannot accept the proposed FY 21-22 cost increases as presented. Due to the Sheriff's Office's contractual violations, the City has neither budgeted for nor raised the revenue necessary to cover these costs. And even in the event that these monies were available, the City would still require substantial time to evaluate the information and documents requested of the County. And accordingly this is our formal request that, pursuant to the terms of the Agreement, the Sheriff's Office respond to this letter within thirty (30) days of receipt thereof.



130 Cremona Drive, Suite B, Goleta, CA 93117 P 805.961.7500 F 805.685.2635 www.cityofgoleta.org

Should you or members of your staff in the Contracts Services Bureau have questions regarding the above information, we encourage you to please contact me or Interim Neighborhood Services and Public Safety Director, Jaime Valdez. We value and appreciate our excellent relationship with the Sheriff's Office. And we look forward to resolving this issue, so that we may continue to work together to provide Goleta's citizens with the exceptional law enforcement services they have come to know and appreciate.

Sincerely,


Michelle Greene, City Manager

cc: Mayor Paula Perotte
Mayor Pro Tempore James Kyriaco
Councilmember Kyle Richards
Councilmember Roger S. Aceves
Councilmember Stuart Kasdin
County CEO, Mona Miyasato
Board Supervisor Gregg Hart
Board Supervisor Joan Hartman

Exhibit 2
to First Amendment
“EXHIBIT C: COST MODEL”

Exhibit C: Cost Model

I. Overview of Cost Model. Except as provided for in Sections II through IV of this Exhibit C, which terms supersede the terms set forth in this Section I, the Cost Model determines the cost of a Deputy Sheriff Service Unit based on the actual hourly cost of a Sheriff Deputy, which includes both direct and indirect costs of providing one hour of law enforcement services. This actual hourly cost is then multiplied by 8,760 hours in order to equate to the annual cost of one Deputy Sheriff Service Unit, as described in Exhibit A-1. The annual cost of one Deputy Sheriff Service Unit is then multiplied by the quantity of Deputy Sheriff Service Units purchased by CITY to determine the total annual cost for general law enforcement services to be included in the total Contract Costs for the applicable FY. The direct and indirect costs of providing one hour of law enforcement services are determined as follows:

1. Direct cost of a Sheriff Deputy. This is the average actual hourly cost of salary and benefits paid to the Sheriff Deputy employee classification for law enforcement services. The direct cost of a Sheriff Deputy excludes all costs of Sheriff functions which are made available to all portions of the County, such as custody and coroner, as well as all law enforcement programs and projects that are reimbursable from other sources.

2. Direct cost of support to a Sheriff Deputy. This is the average actual hourly cost of salary and benefits paid to the employee classifications that provide direct support to a Sheriff Deputy for one hour of work. This includes the chain of command supervising and managing a Sheriff Deputy (Sergeants, Lieutenants, Commanders, Chief) as well as other direct support staff. The direct cost of support to a Sheriff Deputy also excludes the functions, programs and projects excluded from the direct cost of a Sheriff Deputy.

3. Anticipated salary and benefits increases. The direct cost of a Sheriff Deputy and the direct cost of support to a Sheriff Deputy are estimated for the next fiscal year based on the prior fiscal year's actual average costs. In order for these estimated costs for the next fiscal year to more closely match the actual average costs for the next fiscal year, the prior year actual average costs are adjusted for anticipated salary and benefit increases, such as negotiated cost of living increases and projected employer pension contribution changes. These adjustments help reduce the amount of any true-up required, as explained in 7. below, in order to match estimated costs billed to actual costs incurred.

4. Direct services and supplies and other charges. This is the actual hourly cost per a Sheriff Deputy of direct services and supplies and other charges incurred for law enforcement. This includes equipment maintenance, vehicle fuel, training, motor pool charges, liability insurance, and various other law enforcement expenditures. This also excludes any expenditures for functions, programs and projects that are excluded from the direct cost of a Sheriff Deputy.

5. Indirect Cost of Support and Administration. This is determined using the indirect cost rate calculated for the Sheriff's Support and Administration Division, including Cost Allocation Plan charges applied to Sheriff Law Enforcement. This rate is applied to the direct cost of a Sheriff Deputy and the direct cost of support to a Sheriff Deputy in order to determine the indirect costs applicable to law enforcement services. The rate is calculated annually by the Sheriff's Office in accordance with federal cost principles and reviewed by the Auditor-Controller. The rate used for

determining indirect costs billable to cities excludes any costs that are general overhead costs of operation of the County government.

6. Public safety dispatch costs. This is the CITY's proportionate share of the Sheriff's public safety dispatch costs allocated to law enforcement. The CITY's share of these costs are based on the total hours purchased by the CITY as a percentage of the Sheriff's total law enforcement hours.

7. True-up to actual cost. Because the cost model estimates the costs for next year based on the prior year actual costs, a comparison of what was estimated and billed for next year and what the costs actually are will be performed after the close of next year. The difference, whether positive (due to actual costs exceeding estimated costs) or negative (due to estimated costs exceeding actual costs), is then included in the costs estimated for two years later in order to true-up the estimated costs billed next year to the actual costs incurred.

8. Sheriff's Law Enforcement Contract Services Bureau. This is the CITY's proportionate share of the Sheriff's Contract Law Enforcement Unit costs. The CITY's share of these costs are based on the total hours purchased by the CITY as a percentage of the Sheriff's total law enforcement hours.

II. FY 21/22 Contract Costs. Notwithstanding Section I of this Exhibit C, the Parties have agreed that the CITY'S total FY 21/22 Contract Costs will be \$8,607,721. This agreed-upon amount reflects an hourly Deputy Sheriff Service Unit rate of \$210.65, two years of inflation at 3% per year, and is inclusive of a 50% (fifty percent) reduction in FY 19/20 True-Up Cost as discussed in Section III of this Exhibit C. The CITY'S agreed-upon FY 21/22 Contract Costs are further detailed in "Exhibit E-3 Annual Cost Computation Fiscal Year 2021-22".

III. Calculation of FY 19/20 True-Up Costs. The Parties agree that calculation of FY 19/20 True-Up Costs shall be calculated based on a \$210.65 hourly Deputy Sheriff Service Unit rate. The Parties further agree that the CITY shall only be charged 50% (fifty percent) of the FY 19/20 True-Up Costs, which comes to a total of \$158,825.

IV. Calculation of FY 18/19 True-Up Costs. The calculation of FY 18/19 True-Up Costs shall be based on the CITY'S Base Contract Hours (26,280 hours) as set forth in Appendix A-1. Pursuant to the First Amendment, the COUNTY hereby withdraws its request for payment of FY 18/19 True-Up Costs in excess of the CITY'S Base Contract Hours, which were invoiced in FY 20/21, and will issue an updated invoice to reflect the same.

Exhibit 3
to First Amendment

“Exhibit E-3 Annual Cost Computation Fiscal Year 2021-22”

Amended Exhibit E-3
Annual Cost Computation Fiscal Year 2021-22

Goleta

DSU Summary - Contract Cost **Hours Purchased** 26,280

Patrol Costs	Hourly Rate	Total Contract Cost
<i>Deputy Costs</i>		
Deputy S&B Cost	92.13	2,421,176
Indirect Rate @ 8.59%	7.91	207,875
Cost Inflation @ 0%	-	-
<i>Deputy S&B Cost</i>	<i>100.04</i>	<i>2,629,051</i>
<i>Patrol Support</i>		
ADMN OFFICE PRO I	0.12	3,154
ADMN OFFICE PRO II	3.62	95,134
ADMN OFFICE PRO II - EXH	-	-
ADMN OFFICE PRO SR	1.87	49,144
CUSTODIAN - EXH	-	-
SHERIFFS COMMANDER	3.93	103,280
SHERIFFS LIEUTENANT	5.01	131,663
SHERIFFS SERGEANT	25.81	678,287
SHERIFF'S SERVICE TECHNICIAN	1.03	27,068
Indirect Rate @ 8.59%	3.56	93,557
Cost Inflation @ 0%	-	-
<i>Patrol Support S&B</i>	<i>44.95</i>	<i>1,181,286</i>
<i>Direct Patrol S&S</i>	<i>16.16</i>	<i>424,685</i>
<i>Direct Patrol S&S True-up</i>	<i>-</i>	<i>-</i>
Total Patrol Cost	161.15	4,235,022
Law Enforcement Support Costs (includes S&B, Indirect, and S&S Costs)		
<i>Investigations</i>		
General Investigations	30.09	790,765
SOD, Narcotics	5.44	142,963
SOD, Intelligence	2.49	65,437
SOD, High Tech Crime Unit	2.46	64,649
<i>Total Investigations</i>	<i>40.48</i>	<i>1,063,814</i>
Forensics	4.50	118,260
Crime Analysis Unit	1.11	29,171
Property & Evidence	3.41	89,615
Total Law Enforcement Support	49.50	1,300,860
Hourly Contract Rate	210.65	5,535,882
True Up		158,825
Menu Items		2,079,616
Dispatch		297,952
DSU Admin		50,444
Inflation		485,001
Total Contract		8,607,721

Goleta - Menu Items Detail FY 19-20 (actuals)

Position	Reimbursable Cost	Basis Hours	Full Cost	Unreimbursable Cost
Community Resource Deputy	177,033	1,571	177,033	-
Detective	174,206	1,706	174,206	-
Parking Enforcement Officer	86,055	1,854	86,055	-
School Resource Deputy	68,437	553	68,437	-
Traffic Deputy 1	220,775	1,859	220,775	
Traffic Deputy 2	220,775	1,859	220,775	
Traffic Deputy 3	220,775	1,859	220,775	
Traffic Deputy 4	220,775	1,859	220,775	-
Total S&B	1,388,831	13,119	1,388,831	-
Patrol Support				
ADMN OFFICE PRO I	1,640		-	
ADMN OFFICE PRO II	47,866		-	
ADMN OFFICE PRO II - EXH	12		-	
ADMN OFFICE PRO SR	24,796		-	
CUSTODIAN - EXH	22		-	
SHERIFFS COMMANDER	52,078		-	
SHERIFFS LIEUTENANT	66,272		-	
SHERIFFS SERGEANT	341,631		-	
SHERIFF'S SERVICE TECHNICIAN	13,673		-	
S&S Cost	196,934		196,934	
Motor Credit	(54,138)		(54,138)	
Total Patrol Support	690,786		142,797	
Total Menu Costs	2,079,616	13,119	1,674,424	-