

**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 2020-2021 Contract Costs (“FY 20/21 Contract 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 20/21 Contract 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 20/21 Contract Costs.** The COUNTY agrees to withdraw its request for payment of FY 20/21 Contract 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 20/21 Contract 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 20/21 Contract 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 20/21 Contract 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

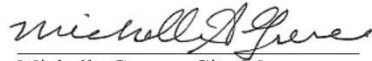
support for the proposed cost increases will give rise to additional grounds for dispute. Thus, the City also hereby reserves the right to raise further challenges arising in any way from the County's past, present, or future conduct during this process of determining the City's 21-22 FY costs. And, 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.

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 20/21 Contract Costs. The calculation of FY 20/21 Contract 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 20/21 Contract 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
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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
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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
<hr/>		
Hourly Contract Rate	210.65	5,535,882
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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	-