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Title: CONSIDER ADOPTION OF RESOLUTION NO. 25-054, APPROVING A FIVE-YEAR MUNICIPAL LAW ENFORCEMENT SERVICES AGREEMENT WITH THE COUNTY OF LOS ANGELES FOR PUBLIC SERVICES PROVIDED BY THE LOS ANGELES COUNTY SHERIFF'S DEPARTMENT AND AUTHORIZING THE CITY MANAGER TO EXECUTE AND PROCURE SERVICES OF THE LOS ANGELES COUNTY SHERIFF'S DEPARTMENT UP TO AN AMOUNT AUTHORIZED IN THE CITY'S OPERATING AND CAPITAL BUDGET FOR THE PERIOD OF JULY 1, 2024 THROUGH JUNE 30, 2029 (CITY COUNCIL)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit No. 1_Resolution No. 24-054, 2. Exhibit No. 2_MLESA Five Year Agreement, 3. Exhibit No. 3_Service Level Authorization Form - Attachment A to MLESA, 4. Exhibit No. 4_Contract City Law Enforcement Services and Equipment Master Rate Sheet - Attachment B to MLESA, 5. Exhibit No. 5_Public Safety Equipment Use Requirements – Attachment C to MLESA, 6. Exhibit No. 6_Contract Cities Rate Letter FY 24-25, 7. Exhibit No. 7_FY 2024-25 Sheriffs Estimate Rate Cost Calculation

| Date | Ver. | Action By | Action | Result |
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Report to Mayor and City Council

Tuesday, June 18, 2024

Consent

SUBJECT:

CONSIDER ADOPTION OF RESOLUTION NO. 25-054, APPROVING A FIVE-YEAR MUNICIPAL LAW ENFORCEMENT SERVICES AGREEMENT WITH THE COUNTY OF LOS ANGELES FOR PUBLIC SERVICES PROVIDED BY THE LOS ANGELES COUNTY SHERIFF'S DEPARTMENT AND AUTHORIZING THE CITY MANAGER TO EXECUTE AND PROCURE SERVICES OF THE LOS ANGELES COUNTY SHERIFF'S DEPARTMENT UP TO AN AMOUNT AUTHORIZED IN THE CITY'S OPERATING AND CAPITAL BUDGET FOR THE PERIOD OF JULY 1, 2024 THROUGH JUNE 30, 2029 (CITY COUNCIL)

I. SUMMARY

The City of Carson's current contract with the Los Angeles County Sheriff's Department (LASD) expires on June 30, 2024. The City and LASD have a positive working relationship and the LASD continues to provide outstanding service to the community. The City Council

is asked to consider Resolution No. 24-054 (Exhibit No. 1) which would approve a new five-year Municipal Law Enforcement Services Agreement (MLESA) with the County of Los Angeles for public services provided by LASD and authorize the City Manager to execute and procure services of LASD up to an amount authorized in the City's operating and capital budget for the period of July 1, 2024 through June 30, 2029, a five (5) year term, upon County Board of Supervisors' approval of the MLESA (Exhibit No.'s 2-5).

II. RECOMMENDATION

ADOPT Resolution No. 24-054, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, APPROVING A FIVE-YEAR MUNICIPAL LAW ENFORCEMENT SERVICES AGREEMENT WITH THE COUNTY OF LOS ANGELES FOR PUBLIC SERVICES PROVIDED BY THE LOS ANGELES COUNTY SHERIFF'S DEPARTMENT AND AUTHORIZING THE CITY MANAGER TO EXECUTE AND PROCURE SERVICES OF THE LOS ANGELES COUNTY SHERIFF'S DEPARTMENT ANNUALLY UP TO AN AMOUNT AUTHORIZED IN THE CITY'S OPERATING AND CAPITAL BUDGET FOR THE PERIOD OF JULY 1, 2024 THROUGH JUNE 30, 2029." (Exhibit No.'s 1-5).

III. ALTERNATIVES

TAKE any action the City Council deems appropriate.

IV. BACKGROUND

Under California Government Code Section 51301 *et seq.* and City Charter Section 205, the City has the authority to contract with the County for public safety services. The City has contracted with the Los Angeles County Sheriff's Department (LASD) to provide law enforcement services since the City's inception in 1968. In the 51 years since, the City has maintained a very positive working relationship with the LASD. Moreover, LASD has provided excellent service during this time.

The current Municipal Law Enforcement Services Agreement between the City and the County of Los Angeles (County) for LASD Services is set to expire on June 30, 2024. In preparation, a new five-year MLESA has been drafted for the City Council's review and approval, with the new term starting on July 1, 2024, and concluding on June 30, 2029 (unless earlier terminated pursuant to Section 7.0, Right of Termination).

The City Council is asked to adopt Resolution No. 24-054 (Exhibit No. 1), which would approve the new five-year MLESA with the County for public services provided by LASD and authorize the City Manager to execute and procure services of LASD up to an amount authorized in the City's operating and capital budget for the period of July 1, 2024 through June 30, 2029, a five (5) year term, upon County Board of Supervisors' approval of the agreement (Exhibit No.'s 2-5).

Over the past year, a subcommittee from the California Contract Cities Association (CCCA), consisting of City Managers, collaborated with the County and LASD to negotiate and revise the MLESA. The proposed MLESA includes revisions that were mutually agreed

upon by the County and the CCCA subcommittee, as detailed further below.

Indemnification Arrangement Background and Negotiations

In addition to the Municipal Law Enforcement Services Agreements approved over the past few decades, the contract cities have entered into three significant agreements concerning liability and indemnification for County services:

- 1977 Assumption of Liability: The County established a fund to cover liability costs associated with contract services, assuming liability and defense for contract cities (replaced by the 1991 Joint Indemnity Agreement for law enforcement services).
- 1991 Joint Indemnity Agreement: The County and cities established the structure of the Liability Trust Fund, transferring responsibility for liability and payment for settlements and claims to this fund, which is fully funded by contract cities.
- 2009 Special Indemnity Agreement: The County and cities agreed to split the liability and funding responsibility equally for certain cases involving deputies or other peace officers incurring felony convictions or any criminal convictions of certain sexual crimes.

Although the County accepted some of the recommended subcommittee changes which are included in the proposed MLESA, there were a number of requested changes that were not accepted. Additionally, no agreement on changes to liability and indemnity language was reached prior to the renewal deadline. As was added as Section 5.4 of the MLESA, the subcommittee and County will continue discussions intended to revise liability and indemnity language to share in the financial exposure with the County instead of the current burden falling completely on the Liability Trust Fund (discussed further below), and by extension, the contract cities.

Changes in the 2024-2029 MLESA

The proposed 2024-2029 MLESA includes several changes from the current Municipal Law Enforcement Services Agreement based on the contract cities negotiations which are beneficial to the City. The changes include:

- **Performance will be by Service Unit Rather than Overall** - The MLESA performance standard changes from one measure overall to several measures at the service unit level. As the MLESA performance is based on service minutes, the number of deputies and civilians procured by a city are translated into available minutes. This allows the County to mix and match minutes to achieve their 98-102% target but can lead to unintended consequences to underperform in areas like traffic, special assignment, or motor units.
 - **Benefit**: The change would set the 98-102% performance target for each specific unit - patrol, motor, special assignment deputies - increasing accountability to cities receiving the level of service expected when procuring specific resources. As an example, overages in patrol minutes cannot be made up by reducing service levels of a motor unit or special assignment deputy and vice versa.
- **Retaining Vehicle of Deleted Service Unit** - When a city adds a new resource that

requires a vehicle (i.e. new deputy), the city incurs a significant first-year expense for the additional vehicle required for this new deputy. The maintenance and replacement costs of the vehicle are already integrated into the annual charge to the city if the city keeps the new deputy. While the LASD has a practice on this, the language of the MLESA was not explicit to protect a city from losing a deputy temporarily and then paying another new vehicle cost when the city restored the deputy. The proposed MLESA includes language that a city can regain access to a vehicle procured with a new deputy service unit when the unit is deleted and restored within 24 months.

- Benefit: This codifies the language and extends it from 12 to 24 months, giving more flexibility for a city to avoid incurring a new vehicle cost.
- **Transfer of City Property to County** - The MLESA requires separate written agreements managed at the LASD contract city stations to govern items purchased by the City and temporarily transferred to the County. Additionally, the County must maintain a detailed and regularly updated inventory of all non-vehicle City equipment in its possession, including descriptions, serial numbers (if applicable), condition upon receipt, and location.
 - Benefit: This language increases transparency and accountability in the handling of the City's assets where the current Municipal Law Enforcement Services Agreement is silent.
- **Equipment Replacement after Extended Maintenance and Repair** - The MLESA requires that the County will make best efforts to provide a temporary replacement if the original equipment takes more than 60 days to be returned.
 - Benefit: The language strengthens the required effort the County must undertake to provide a replacement. A best effort would require the LASD to be more diligent in providing a replacement.
- **Continue Negotiations on Indemnity Agreements** - The MLESA includes Section 5.4 which acknowledges indirectly the continued negotiations between the County and contract cities related to concerns that cities bear the full cost of liability for contract activities when the County should share in such liability. A Letter of Understanding between the County and the CCCA outlines how both parties will work towards addressing concerns in several areas raised by contract cities.
 - Benefit: The new language does not guarantee a change, but it recognizes a mutual interest in ensuring the long-term viability of the Liability Trust Fund and controlling the increasing burden placed on cities for activities a city does not control. The County controls aspects of law enforcement operations (i.e. training, supervision, hiring, discipline, etc.) and to some extent should incur some of the liability, such as when there is gross negligence not controllable by a city. Further negotiations are a positive step.

Liability Trust Fund Claims Board

As established in the 1991 Joint Indemnity Agreement, the County formed the Los Angeles

Contract Cities Liability Trust Fund Claims Board (Board) to review and approve settlement of claims and lawsuits for money damages which are paid from the County's Contract Cities Liability Trust Fund. The Board consists of eleven members nominated by the California Contract Cities Association and appointed by the Los Angeles County Board of Supervisors. The members include city council members, city managers, and representatives from the CCCA.

The Liability Trust Fund is comprised of two funds - the Sheriff's Department Fund and the All Other Departments fund. This is a County trust account funded by contract cities to reimburse the County for all costs related contract city operations leading to litigation and settlements as a part of MLESA operations. The Liability Trust Fund is self-insured for liabilities up to \$10 million and carries insurance up to \$50,000,000.

The Liability Trust Fund has experienced significant payouts due to settlements and litigation work. The settlements are such a large exposure that insurers have been increasing the self-insurance retention (amount paid from the fund before tapping insurance) of \$2 million in 2011-12 to \$10 million in 2023-24, and the rate paid by contract cities has risen from 4% to 12%, respectively, and will be 12.5% in 2024-25.

Given that all activities of the contract cities in the MLESA are the responsibility of the County and contract cities have no authority to govern over actions to reduce liability, the subcommittee feels strongly of the need to revisit the liability and indemnity relationship between the contract cities and the County to ensure balance in who pays for settlements and litigations. The purpose is to ensure the long-term viability of the Liability Trust Fund and the contract model. Further, with the County being exposed to more financial risk associated with operations that only they can control, there will be a greater incentive to ensure more risk reduction approaches and opportunities are leveraged to reduce the overall losses incurred by both the County and the contract cities.

Although the subcommittee proposed changes to liability and indemnity language, the County desired additional time to discuss and consider changes. Consequently, the subcommittee will be continuing discussions on amending this language even after the MLESA is approved by the June 30, 2024 deadline, with the existing liability and indemnity language in place since the last MLESA.

V. FISCAL IMPACT

For 2024-25, the City will procure the same number of resources, with estimated costs increasing by 3.94%. This is made up of a 3.44% increase for a deputy service unit plus a 0.5% increase to the Liability Trust Fund (Liability Trust fund will go from 12% to 12.5% of personnel cost). The 2024-25 cost is estimated to be about \$25,579,202.29 (Exhibit No. 7), which represents a slight variation from the draft Service Level Authorization Form attached as Exhibit No. 3; the proposed resolution grants City Manager authority to approve and execute the final version to be provided by LASD, up to the amount budgeted by the City for the services.

Funds for the MLESA are included in the proposed FY 2024-25 annual budget in the Public Safety Division.

VI. EXHIBITS

1. Resolution No. 24-054 (pg. 7-8)
2. (Proposed) Municipal Law Enforcement Services Agreement, 2024-2029 (MLESA) (pgs. 9-22)
3. Service Level Authorization Form - Attachment A to MLESA (draft only; final to be prepared by LASD pursuant to Board of Supervisors approval for City Manager approval/execution) (pgs. 23-25)
4. Contract City Law Enforcement Services and Equipment Master Rate Sheet - Attachment B to MLESA (pgs. 26-27)
5. Public Safety Equipment Use Requirements - Attachment C to MLESA (pgs. 28-30).
6. Contract Cities Rate Letter FY 24-25 (pg. 31)
7. FY 2024-25 Sheriffs Estimate Rate Cost Calculation (pg. 32)

Prepared by: Nora Garcia, Emergency Services Manager