

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Shoreline Community Video Presentation by North City Elementary School
DEPARTMENT:	Mayor Scott Jepsen <i>LB (for)</i>
PRESENTED BY:	Kristi Gustafson and Lori Scovie, North City Elementary School

EXECUTIVE / COUNCIL SUMMARY

Kristi Gustafson, a teacher at North City Elementary School, contacted the City Manager's Office and explained that her combined second/third grade class and a third grade class taught by Lori Scovie had produced a video about Shoreline. Ms Gustafson asked if the Council would be willing to view the video the students had produced. Mayor Scott Jepsen was contacted and he gave approval for the item to be added to the agenda for tonight's meeting.

The video, titled "Shoreline Community Video," was created as an Applied Learning Project at the school to teach the students a variety of skills needed to plan, write and produce a video concerning their community. The video's running time is 13 minutes, and it will be distributed to Shoreline school libraries, to the School Board and to your Council.

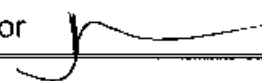
RECOMMENDATION

No formal action is necessary. The video presentation is informational.

Approved By: City Manager *LB* City Attorney *N/A*

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Police Services Study Regarding Contract and Service Delivery Improvements
DEPARTMENT:	Finance
PRESENTED BY:	Joe Meneghini, Finance Director



EXECUTIVE COUNCIL SUMMARY

The purpose of this agenda item is to share with your Council the results of a multi-jurisdictional study of King County police contract costs and potential service delivery improvements and to provide staff with direction on the negotiations of a future police services contract.

As noted in previous meetings, 1998 was the third year of a 3-year contract for services with King County. The existing contract automatically renews on an annual basis absent termination by City or County. We would like to renegotiate the current contract given what we have learned from the past three years and the recent study. Your Council's discussion concerning the results of this study will provide staff its direction for contract negotiations.

Overview: Findings and Recommendations

The consultant firm, Public Administration Services (PAS), proposes a number of recommendations on how to improve the contract/services between the Cities and County. These recommendations will be reviewed by the respective Cities and County, both within the framework of an ongoing contractual relationship and in the context of negotiating a new service contract between Police Contract Cities and the County.

Findings

The King County Sheriff's Office gets good marks here in Shoreline and each of the other contract cities. By and large each city is satisfied (above average ratings) with the quality of their police services. The Cities went on to say that there needs to be more emphasis on Community Policing, that they need performance reporting/data and need better ways to report costs and track them. PAS notes that the methodology the County uses in developing its service costs is logical and it follows generally accepted

accounting principles. The consultants go on to say though that the entire system is too complex and should be simplified.

Study Recommendations

Some of the key recommendations within the study are highlighted as follows:

- Develop and Implement a Police Services Master Plan (County and Cities)
- Use Strategic Business Planning
- Adopt a Performance Management System
- Use Outcome Oriented (Performance) Reporting
- Use Patrol Planning Model (PPM) (method for efficient staff deployment)
- Simplify Cost Books/Add Explanations
- Review and Modify Selected Costing Methods (basis for service unit charges)
- Establish an Annual Financial Audit
- Review (Long Term) a Loaded Services Unit Concept (wherein one fixed price includes all services)

These recommendations and others are discussed further in the report background section.

One other main feature of the Study was the analysis of a stand-alone police operation. That is, it took a look at the option of one or any of the contract cities starting their own in-house police department. This was done as a means to benchmark the Contract and to determine what it would cost the City to do the same services. The costs for the City in-house model are \$5,120,790 versus the 1998 contract budget costs of \$5,181,972 or a difference of \$61,182.

The consultants, though not recommended, estimate that it is possible that there could be additional savings in-house perhaps as high as 5% in personnel costs (\$140,472) based on a comparative cities survey of similar size. That is, the City could consider setting lower salaries than King County's that would result in salary savings ranging from 1% to as high as 5% over the County's. But this would increase the likelihood of having to hire more new recruits (the experience factor could create operational problems such as workforce cohesiveness, etc.).

In addition to the annual operating cost identified above (which are 1998 cost/service data) there would be one-time start-up costs of \$2,275,154 associated with setting up a police department. The start-up costs associated with bringing the service in-house would include purchasing police vehicles fully equipped with light bars etc. (current ones are owned by King County). Other costs would include recruitment, testing and training of staff (expected for about 67% of police staff) and the outfitting of the new personnel (uniforms, weapons, radios, etc.).

The stand-alone option summarized above shows that it is slightly less expensive operating the police services in-house vs contracting. The difference, though, is within

a margin of error factor (3-5%) due to the variability of some cost categories. The start-up of an in-house police department at the City of Federal Way clearly showed how actual start-up and ongoing costs are hard to estimate.

As a result of the above analysis, we believe the City should continue contracting with King County. Due to the small cost differential, the large start-up costs and the quality service provided by a large municipal police agency it is not in the City's interest to change police models in the foreseeable future.

RECOMMENDATION

No formal action is required at this time. Staff seeks your Council's consensus to support the general initiatives identified in this report to provide direction on the upcoming joint negotiations with King County Sheriff/Executive Office and other contract cities for a new police services contract. Staff is also interested in any other contracting issues that should be considered in the upcoming negotiation.

Approved By: City Manager LB City Attorney N/A

BACKGROUND ANALYSIS

As you know, the City of Shoreline provides for police services to the community through a service contract with the King County Sheriff's Office. Through this contract, the City provides a full array of basic services such as patrol, investigation and traffic with an emphasis on community policing including such programs as school resource program, community storefronts, apartment watch, etc. In addition, the Shoreline Police Department configuration is further highlighted by the Special Support Services from the County which include: tactical unit, canine, hostage negotiation team, major crimes unit, major accident response and reconstruction, communication center, etc. providing a complete compliment of services to the community.

As noted in previous discussions with your Council, by undertaking this study the contract cities would better be able to work with the County on improving service delivery, cost controls and contract operational issues. At the same time the study was to take a look at what it would cost a city to create their own police operation with service levels similar to their existing contract.

The contract cities and the County agreed to continue the existing contract while the parties undertook this review and renegotiate a new contract. The scope of the police study was separated into two components: financial and public safety services. Both are reviewed below.

Financial Component

The purpose of the financial component was to review/refine the financial management and accountability within the contract.

As noted earlier, the consultant found that King County used costing methodologies that were both logical and followed generally accepted accounting principles. The consultants reviewed a number of operational/compliance systems within the Sheriff's Office (e.g. equipment, uniforms) and other King County departments (e.g. motor pool, overhead allocation systems).

PAS notes that the County has taken deliberate care in their charges within these accounts finding no significant exceptions. They do go on and recommend an annual audit of these systems and allocations within/between units as a way to assure on a continuing basis sound practices/methods.

In review of the current service costing formula there are a number of modifications recommended. A number of them apply only to the smaller cities that are on a different contract model than Shoreline. Those that apply to Shoreline are summarized below and only affect the Special Support Services the City receives:

Current and Potential Costing Formulas

<u>CATEGORY</u>	<u>CURRENT ALLCATION METHOD</u>	<u>POSSIBLE CHANGES</u>
Domestic Violence	% of Part 1 Crimes	% of assigned cases (simple and direct)
Hostage Negotiations	% of Incidents	% of caseload (simple and direct)

Each of these suggested changes though representing small workloads overall would result in a more accurate and equitable allocation and would be simpler to administer. Likewise, they recommend staying with a number of current costing systems because of the above reasons (more equitable) including, MARR (i.e. % of incidents), Major Crimes (i.e. % part 1 crimes), Tactical Unit (% of incidents), and Vice (% of unit arrests).

The County currently releases three different cost books each budget year for Police Services (Est. Budget, Approved Budget and Reconciled Actual). The consultants believe this can be streamlined with fewer books but they recommend that as part of these documents that a narrative (explanatory notes) be added. They also recommend that an annual comparison feature be added so changes or differences in service unit costs from year to year could be monitored. This last item is an important feature as it would allow the cities to better track increases/decreases in positions, direct service costs, support services, and overhead charges. Cities would then be in a better position regarding cost control issues.

Another key recommendation within the financial section is the idea that an annual financial audit should be instituted. This would be done to ensure that the service principles and procedures are being appropriately implemented. This is believed to be the case now but this would ensure it on a continuous basis.

Lastly, under the finance component, PAS has noted that there could be better coordination between the County Sheriff budget planning process and the Contract Cities budget planning process. They noted in detail that the budget cycles for the County and Cities are too dissimilar to actively handle new initiatives within the County's budget process. That is, the County starts earlier than the Cities (because of size) and thereby needs "hard answers" before any of the Cities can confirm commitments due to their later schedules. As such, PAS recommends that the Sheriff use a Strategic Business Planning process to develop a multi-year police services master plan to obtain city participation regarding new initiatives for King County police services.

Public Safety Study Component

This part of the study was designed to review potential improvements to the existing contract (structural, management, process, service delivery, cost control) and analyze the cost of creating/operating a police department.

Other Police Service Models

By way of background, PAS undertook a review of other counties that contract both within Washington and other States (a total of 15 were reviewed) to judge whether there were contract features that could be studied for possible enactment here (best of breed). Within Washington, Pierce County also engages heavily in contracting and although they do well they do not have any features that would enhance services here. This also was by and large true of a nationwide survey.

Nationwide, a number of counties that provide contracting police services unilaterally establish fees, only a few publish their costs, and some do not extend a full array of service options to their contract cities. PAS noted that none had the strong statement of operating principles or the variety of police service models or the detailed cost information furnished by King County. The only other counties with contract features that we could benefit from were Los Angeles and San Diego. One of PAS recommendations came from these counties, that is the suggestion that King County and the contract cities look at a single price structure (based primarily on shift coverage). This would be an all-encompassing pricing approach and would be without regard to functions (i.e. a bundled service unit including patrol, detective, communication, tactical unit, etc. with all the required functions included similar to a turnkey system). That is, a city would be guaranteed 24-hour service (full coverage for sick, vacation, disability, academy training, etc. for a premium price to offset the County extra cost of a guaranteed staffing coverage).

This is a new concept within our region and the two counties that use it in California have been in the contract business a long time and just recently evolved to this new model. Again it is an idea that could merit a look at in a long-term time frame. This bundled service approach, the consultants noted, would be simpler to understand and administer.

Performance Management

A number of the cities have been looking at the possibility of instituting performance management systems to set objectives and measure progress.

The importance of performance measures is that they give a sense of purpose/mission to individuals within the organization. Further they provide a means to link priorities and identify areas of improvement. King County has recently been studying a performance management system for use countywide. Yet, this must be designed to meet the needs of the contract cities.

Another aspect of performance management is staff resource need/allocation. Staff deployment is an important issue when you begin to review such areas as overtime costs. The more "cutting edge" police agencies use a computerized staff deployment model that optimizes the use of police staffing to ensure adequate staff coverage without incurring overtime. PAS noted that 65% of the overtime hours reported for

Contract Cities were for backfill for such reasons as absences, training and comp time (time off in lieu of overtime pay for work beyond the standard workweek). The consultants go on to note that some of these expenses can be managed and could be reduced with instituting better staffing methods/tools (such as computerized staff deployment modeling).

Overall Review of Current Agreement/Delivery of Police Services

As discussed earlier the Cities management staff rated the police services provided as above average. Areas for improvement were: need additional emphasis on community oriented policing, better traffic enforcement, performance type reporting, definition of chief's role/authority. With respect to costs the cities felt that some of the police service costs should be picked up under the regional finance and governance service category by the Sheriff. In other words, rather than charging the cities for some of the services, King County should be picking up the full costs because they are more regional in nature.

Also noted earlier the consultants did review the overhead structure, process and costs (motor pool, etc.) and found it to be logical/reasonable. King County has adopted a full overhead recovery policy excluding state mandated Sheriff functions or County discretionary policies (Sheriff office, criminal warrants, search and rescue). Contract Cities have long argued for a marginal cost recovery policy noting that in the absence of their contracts the County would still have some of the overhead expenses.

Other areas cited for improvement were:

- Clarify when the County credits cities for vacancies,
- Develop a multi-year service master plan,
- Establish a position to administer the contracts.

Assessing Police Services to Cities

Contract cities were asked to rate the quality of services. The City Managers along with their Police Chiefs separately rated 25 services provided by the King County Sheriff's Office. As discussed earlier the County Police Contract Services were reported as being above average. This was also the case in the survey ratings, with the City Managers and the Police Chiefs rating the services B overall.

Stand-alone Police Departments – Organizations and Staffing

This part of the report details the cost estimates for a stand-alone municipal police department based on the existing service levels. There are a number of ways to determine the configuration and costs of a stand-alone police department. Their approach combined comparisons of costs, staffing and other data from other police departments with practical experience of the real costs and problems associated with starting a new stand-alone department.

The analysis also includes start-up costs that would be associated with establishing an independent police department. The one-time only cost items included here would be:

- Purchase and outfitting of police vehicles and associated equipment.
- Recruitment and selection of command staff, police officers and supporting departmental personnel.
- Overlap staffing for transition period from contracting to in-house (approximately for 3 months).
- Outfitting of police personnel.
- Acquisition of any additional citywide administrative support personnel (civil service board, labor negotiations, purchasing, computer maintenance staff, etc.), equipment, systems, or services needed.
- Planning costs associated with independent operation.
- The City of Shoreline currently has a furnished police station as such this cost is not included in the start up cost analysis for Shoreline.

Further PAS modeling of a police department took into account the following key assumptions:

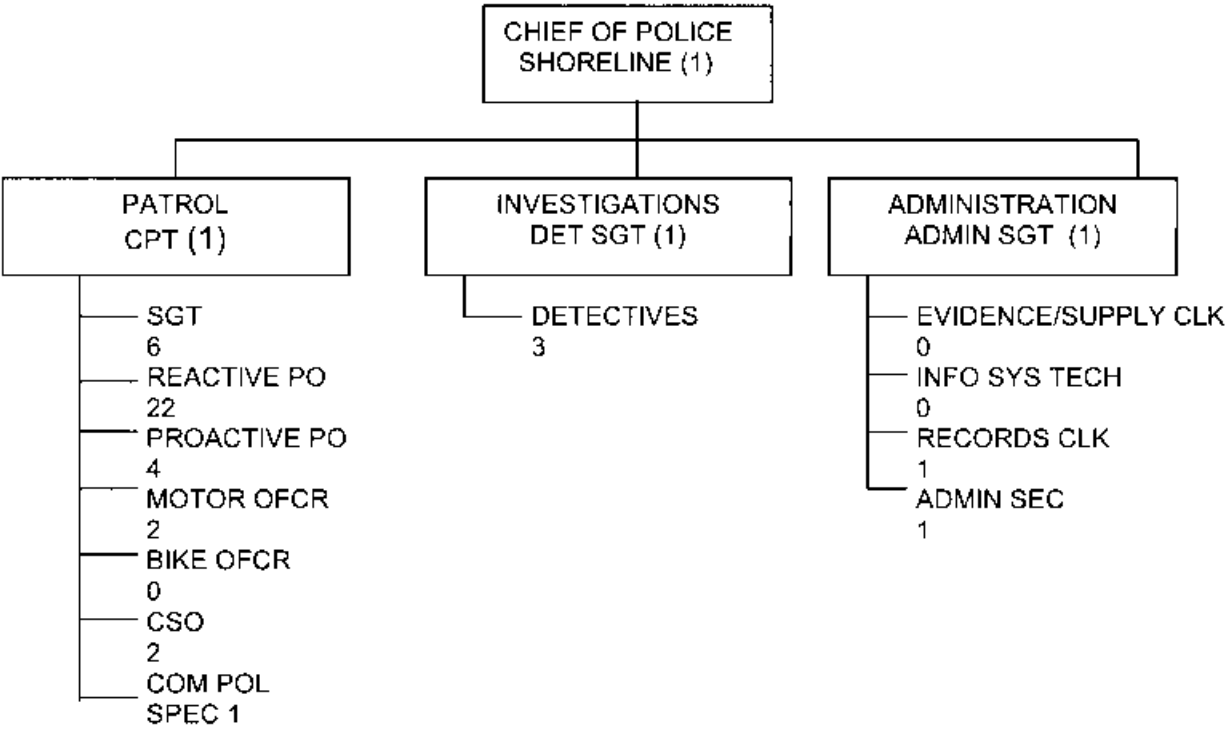
1. Furnish same service level as at present.
2. To be competitive current KCSD salary and fringe data used.
3. Necessary City support included-human resources, finance, clerical, information services, fleet.
4. Vehicle take home continued (the County's policy is to provide each officer with a police vehicle which they use to commute, consultants indicate this can add up to 30% higher motor vehicle expenses/\$51,000 annually).
5. Vehicle replacement 5.5 years.
6. Communications (911 services) purchased from County (consultants explored other options in the region with the County being recommended based on its program of services (i.e. call prioritization, etc).
7. Insurance rates from Washington Cities Insurance Authority of \$1726 per employee.

Stand-alone Police Department Budgets

Again as noted above, the same level of services were assumed for head to head comparison purposes. It was concluded that to be competitive (for cities our size in the labor market) King County salary data would be used although the regional salaries were less (up to 5%). Thus, rather than being conservative, we could arguably reduce the stand-alone ongoing salary cost by \$140,472.

For the stand-alone analysis, staffing levels approximated current levels (with rounding of fractions). If smaller cities went to a stand-alone model, they lose the economies of scale of sharing staff within the larger King County System.

Below is the organization chart and the staffing profile:



Summary of Existing, PAS Model and Recommended Staffing

POSITION	CONTRACT EXISTING STAFFING	IN-HOUSE STAFFING RECOMMENDED BY PAS PER STUDY SPEC.
Chief	1	1
Major	0	0
Captain	1	1
Lieutenant	0	0
Admin. Sergeant	0	0
Patrol Sergeant	6	6
Detective Sergeant	1	1
Detectives	3	3
Patrol Officer Reactive	22	22
Patrol Officer Proactive	4	2
Community Service Officers	0	2
Motorcycle Officer	2	2
Bike Officer	0	0
Office Tech/Admin Sec	1	1
Evidence and Supply Clerk	1.31x	1x
Records Clerk	0x	0x
Community Policing Spec.	2	2
TOTALS	44.31	44

The consultants in their staffing recommendations suggest that Shoreline shift its staffing pattern from the current configuration of 4 Proactive Patrol Officers to 2 Proactive Officers and 2 Community Service Officers to enhance the community policing focus within the community.

The estimated operational costs for Shoreline are summarized below:

Shoreline
Standalone Police Department Operating Costs

<u>ITEM</u>	<u>QUANTITY</u>	<u>AMOUNT</u>
Staffing	44 FTE	\$2,809,442
Support Services	Includes 911, major crimes, tactical unit, canine, drug enforcement, etc.	\$ 920,494
Other Operating Costs	Includes overtime, special pays, insurance, 800 MHZ, supplies, services, vehicles, computers, etc.	\$ 858,948
Overhead	3.5 FTE (Including Finance, Personnel, Fleet, Legal, Information System, Purchasing	\$192,546
Equipment Replacement	Cars, Radios, etc.	\$ 339,360
Total Costs		\$ 5,120,790
Current Contract Costs		\$ 5,181,972
Difference		\$61,182

The stand-alone option summarized above shows that it is slightly less expensive operating the police services in-house vs contracting. Yet, it is important to note that these figures are estimates that can swing up or down based on the validity of our assumptions. We know from Federal Way's experience, that the start-up and on-going costs are hard to estimate.

The dollar difference above between in-house vs contracting costs is a little over 1%. The consultants go on to estimate that it is potentially possible that there could be additional savings in-house perhaps as high as 5% (\$140,472) in personnel costs based on a comparative regional cities survey. But this would increase the likelihood of having to hire more new recruits (the experience factors could create operational problems such as workforce cohesiveness, liability, etc.). Additionally, it may be possible to operate the motor pool more efficiently with adjustments to the King County Sheriff vehicle policy of one officer one car. The consultants estimate a potential savings of up to 30% over the current County fleet costs of \$170,856 for a potential savings of \$51,257. This would equate to an additional 1% savings (in overall contract costs) that may occur if this was changed to more of a fleet operation style.

If all the potential operating savings are added up it appears possible that savings in the range of 1% to 5% (\$61,182-\$252,654) might be achieved with an in-house department operation with a mid-point of a 3% (\$156,918) savings potential. This excludes start-up costs. Again these percentages are subject to a margin of error due to the complexities of establishing a large complex operation with numerous cost variables.

The one-time only expenses involved with a start-up are as follows:

Start-Up Costs
Shoreline Stand-alone Police Department

Item	Units	Unit Price	Cost	Notes
POLICE STATION				
Building	0	0	0	
Land				
Furnishings			0	
Information Systems			\$38,000	
Sub-Total			\$38,000	
VEHICLE				
Police Cars	42	\$30,154	\$1,266,468	All new cars
Sub-Total			\$1,266,468	
RECRUITMENT, TESTING, & TRAINING				
Testing	29	\$1,000	\$29,000	Assume 67% are not transferred from KCSD
Labor Relations Reserve			\$50,000	
Academy	14	\$18,900	\$264,600	Assume 33% are not presently certified; salary of trainee
Field Train	14	\$15,349	\$214,886	Salary of recruit in field training; salary of FTO not included
Sub-Total			\$558,486	
OUTFITTING OF POLICE PERSONNEL				
Uniforms	43	\$2,500	\$107,500	
Weapons	43	\$800	\$34,400	
Computer	43	\$3,500	\$150,500	
Port. Radio	43	\$2,600	\$111,800	
Sub-Total			\$404,200	
OUTFITTING NEW CITY SUPPORT PERSONNEL				
Admin Positions	2	\$4,000	\$8,000	Desk and Computer
Finance				
Information Specialists				
Purchasing				
Fleet Management				
Sub-Total			\$8,000	
TOTALS			\$2,275,154	

The start-up costs are for items needed to supplement the current city owned items in order to have an independent in-house police operation. Currently, the County owns the vehicles utilized in the City. The City would have to purchase new or potentially buy vehicles currently in use from the County. Additionally, the City would have to hire and train and outfit new officers (PAS assumed a 1/3 hire ratio of King County Sheriff Officers). This involves advertising, testing (physicals, written exams and boards, oral boards, psychological, background checks). Once selected the department would have to provide an initial outfitting of each officer (\$2,500 uniforms, \$500 weapons, \$3,500 computers, \$2,600 radios) at an estimated cost of \$9,400 each. The uniform supplies include the uniforms and leather goods, patches, protective vests, pagers, etc. There also would be some information records systems expenses involved. Currently the record system is provided by King County. If the City sets up its own department it would have to purchase and implement its own records management information system for the police records (\$38,000).

As noted above, the City would have an estimated \$2,275,154 in start-up costs (one time only) that it would have to borrow or draw down on its capital reserves fund. Either way this is an expense that would cut into existing programs or planned capital outlays.

Unquantifiable Benefits of Contracting

More importantly, but harder to quantify are many of the intangibles/benefits of contracting with a large and sophisticated metropolitan police force such as the King County Sheriff's Office. These intangibles include the depth and range of not only training but critically the experience factor often unseen in smaller municipal operations. This experience factor is built up over the years of dealing with the many cases of major crimes, drug enforcement, forgery, gang/organized crime, vice and gambling, etc. over a wide geographical area. Any one given city may see a few such cases a year but not the volume it takes to build the background and specialization in managing and dealing with the wide array of incidents that can occur. In particular, crime is often solved with a good intelligence network that is sufficiently broad to capture, retain, retrieve information to assist officers/detectives in solving crime. This is a major benefit of contracting for services with the County.

Another area that is not quantified but real is the extra capacity that the County contract can bring to bear on a service incident that arises in our community. In Shoreline, a recent homicide case with two unknown victims and unknown suspects was solved and suspects arrested within four days. This was due to our ability to saturate the area with officers and detectives from two precincts and the Major Crimes Unit within hours of the crime (approximately 12 in total). Major Crimes detectives from the Sheriff's downtown facility and local officers worked together, around the clock, until the suspects were apprehended. Key information came from an officer from another precinct who was assisting us.

In another case, a very violent pair of armed robbers committed their last in a string of five robberies in the city of Woodinville when a 7-11 clerk shot one to death. The fleeing partner was apprehended by one of the 50 Sheriff's deputies that descended on the scene within the first hour of the crime. (Woodinville has a staff of 8, with usually 2 on duty). This string of crimes left 5 major crime scenes across four jurisdictions (including Lake Forest Park and Kenmore) to be secured and processed simultaneously. Because of the communication and coordination all cases were successfully closed and prosecuted.

Another area of contract assistance is in the area of keeping the Vice crime under control in Shoreline requires constant enforcement, much of which must be conducted in an undercover capacity. Because officers in our city get recognized after a period of time, it is necessary to have a pool of unknown faces to work many of the undercover assignments. Officers and detectives from other precincts and units are brought in routinely to do stings and John patrols with a high degree of success.

Lastly, another example is when we needed approximately fifty Officers to handle a Vice Presidential visit during the storm disaster of 1996. These examples underscore the fact that the City is able to draw upon a wealth of talent necessary to deal with problems/issues as warranted by being in a contractual relationship that would not exist on our own.

Not only are these real and significant benefits, there are others that are more internal but none the less still significant, such as, with the contract the County manages all liability risks of the police operation which is one of the more costly risk/exposure areas in a City operation and also a time consuming function. Other matters such as labor negotiations and operating a mission critical information system are other tasks the City does not have to do because of the current contractual arrangement.

Because of the apparent benefits of contracting and the large start-up costs we believe we should continue contracting. The potential savings from operations are questionable at best and any potential cost savings are consumed by the large start-up costs of a police operation.

It is our recommendation that the City continue to contract in the immediate future-certainly over the next three years.

This information on creating a City in-house police department is provided to your Council as comparative data in the overall context of a comprehensive police study conducted by PAS.

SUMMARY

This police study was undertaken as a cooperative effort by seven contract cities in conjunction with King County Sheriff and King County Executive with Shoreline as acting lead agency.

The agreement for police services as previously noted is up for renewal at this time. The County and Cities will be sitting down shortly to begin negotiations. These negotiations will be a multi-party effort involving the 13 cities and towns that now contract with the County for Police Services.

As a point of reference the County Sheriff Office is already working on a number of the recommendations included in the consultants report. These recommendations will also be the subject of discussions at the regular Police Oversight Committee composed of the Contract Cities and the County.

Any new contract for services would be jointly developed by the parties involved and would need approval by each of the respective agencies (13 cities/towns and the County).

RECOMMENDATION

No formal action is required at this time. Staff seeks your Council's consensus to support the general initiatives identified in this report to provide direction on the upcoming joint negotiations with King County Sheriff/Executive Office and other contract cities for a new police services contract. Staff is also interested in any other contracting issues that should be considered in the upcoming negotiation.

ATTACHMENTS

- A: Executive Summary of PAS Report on Regional-King County Public Safety Contract Services and Financial Review
- B: Cost of Stand-alone Police Departments (methodology and Shoreline costs only)

Attachment A

Executive Summary of PAS Report On Regional-King County Public Safety Contract Services and Financial Review

**EXECUTIVE SUMMARY
PAS REPORT ON REGIONAL-KING COUNTY
PUBLIC SAFETY CONTRACT SERVICES
AND FINANCIAL REVIEW**



In this Executive Summary, the major findings and recommendations of each of the six substantive chapters of the report are highlighted in chapter order and the major conclusions and recommendations are drawn together in one section

at the end of the summary.



This Executive Summary can be used as a stand-alone report for those interested only in an overview or can be used as a lead-in to the detailed report and as a document that brings together recommendations that will serve as a basis for implementation planning.

Chapter I. Purpose, Scope of Study, and Methodology

Purpose and Scope

It was emphasized in the RFP that established this study that:¹

"The County and contract cities have worked hard since the implementation of the police services contract in 1996 to improve public safety services, communication and coordination, cost accounting, financial reporting, and the overall understanding of the mechanics and operational issues involved in the interlocal agreement for contract police service. This study will continue the work of the County and contract cities to improve public safety services and the interlocal agreement between the County and the contract cities."

The scope of this project has two separate components:

1. Financial issues.
2. Public safety modeling and service issues.

¹From page 7, Public Safety Consulting Services RFP, March 25, 1998.

ES-2

Financial Component—the Purpose	Public Safety Component—the Purpose
Continue to refine financial management and accountability by reviewing unresolved issues: More Detail: ✖ Improve tracking of cost components— overtime, salary vacancy savings, motor pool costs, and other indirect costs. ✖ Provide more detailed reporting of costs for each city. Simpler Approach: ✖ Develop simplified approach to cost accounting. ✖ Simplify long term contract negotiation and annual cost adjustments. Financial component partnership between contract cities and King County—seen as having mutual benefit.	Continue work by County and cities to understand service delivery, workload demand, and cost issues related to provision of public safety services: Contract Cities Better Informed to: ✖ Work with County to improve delivery, cost control, and operational issues. ✖ Ascertain costs of establishing own police departments. ✖ Facilitate negotiation process with the County.

Based upon PAS’s experience in reviewing service contracts in many other jurisdictions, it is our opinion that the overall service principles, service models, and service packages/elements now in use in King County are an excellent framework for an effective, equitable, and understandable approach to police service contracting and that the key tasks associated with this study are to “refine financial management and accountability” related to the contracts.

The PAS Approach to the Study

The methodology PAS used on this study is found in Chapter I. It combined management and financial auditing techniques and included the use of structured questionnaires (to support interviews with Contract City officials and Contract City Chiefs, County Sheriff command and staff officials, and County budget staff members); a Contract City Satisfaction Survey; and a survey used to determine the approaches, policies, and procedures used by other counties in police service contracting.

Chapter II. Overall Contractual Arrangements and Pricing

Chapter II Covers:

- Alternative Costing Approaches
- Underlying Issues
 - Equity Concepts
 - Zero Sum
 - Mutual Advantage
 - Alternatives
 - Accounting Methodology
 - Cost Accounting
 - Cost Allocation
 - Administration
- Recommended Equity Concept
 - Mutual Advantage
- Recommended Accounting Approach
 - Cost Allocation

This chapter provides a theoretical foundation for understanding alternative approaches to costing and pricing. This "understanding" is important since a key objective of the study is to simplify the arrangements for contracting for police service while supporting the principles upon which the interlocal agreement is based. This "simplification" can only take place if agreement is reached on matters such as equity, flexibility, local control, and ease of administration.

Chapter II emphasizes that there are a variety of ways that contract services may be priced:

- Actual costs for each activity for each contract city.
- A totally "bundled" or "loaded" lump sum cost based on some measure of service provided; (an example would be to charge so much per officer with all other costs--vehicles, communications, facilities, supplies, etc.--rolled into the cost per officer).
- A "fee for service" basis where a separately priced "menu" of services is offered on a unit cost basis.
- Combinations of the above methods such as a basic fee for certain service (such as for each officer) plus additional costs for optional services. This is the current King County plan.

Underlying Issues

There are two significant issues that need to be addressed when considering contracting and pricing systems. They include:

- Equity
- Accounting Methodology

ES-4

The use of the concept of "equity" is of great importance in contracting and pricing. The pricing arrangement must be perceived as equitable by those participating. There are degrees of equity, however, and different ways of looking at it. What one means by equity depends on one's individual perspective and philosophy.

It would be in the best interests of all parties in King County to view equity primarily in terms of "mutual advantage" and to search for "win-win" scenarios as opposed to "zero sum" games in which "perfection" and "winning" are the goals. This striving for perfection and winning could end up being costly by causing the service contract system to unravel and fail. The mutual advantage view recommended by PAS recognizes mutual benefits of contracting, a simpler approach to cost modeling, and give and take in negotiating the terms and conditions of the supporting agreement.



As pertains to an accounting method to support the equity concept, Chapter II stipulates that there are two different approaches that can be utilized: cost accounting and cost allocation. A pure cost accounting arrangement would require substantial changes to the accounting system and is not necessary. The current cost allocation system which works off of the current accounting system is adequate and should be continued.

Chapter III. Explanation of Current Costing Models

The material in this chapter was developed to assist PAS consultants in understanding the contract costing process model. Since PAS received a significant number of comments during our interviews that users do not understand the process, the material was recast so that it can be put into a "how to" manual for generalist administrators and contract city participants/service users. Note that a review of the current cost formulae and recommended changes begin on page 38 of the body of the report.

Overview of Costing Process

The King County Sheriff's Department provides contract city policing services under a uniform arrangement that has three models and options within models. Within this framework, the Sheriff's Department provides an array of services that include reactive patrol, proactive patrol, community policing, criminal investigation, communications and records, crime analysis,

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supervision and a variety of specialty services such as air support, bomb disposal, canine, tactical units, hostage negotiation, major crime investigation and others. Some of these support services (such as communications) are required; others are optional.

A pricing structure is established that "loads" certain costs (such as employee benefits and special pays, uniforms and personal gear, vehicles, supplies and services, overhead and related costs) but not others (laptops) onto each officer's pay. Support services, (such as canine and tactical units and others), are priced either on a unit cost or percentage of use basis. Cities purchase a "package" of services that include a specified number of units of personnel (FTE's) of identified rank and specialty along with mandatory and optional support services.

Prices are established by the County, and revised annually with certain cost increases "capped." Preliminary estimates are provided each year before the county budget is finally adopted to provide contract cities with cost estimates for their budgets. These figures are then revised later based upon the adopted county budget and decisions by cities of services selected. Unit costs are capped at this level.

An end-of-year accounting is also made and charges are adjusted accordingly.

The County bills monthly for services rendered according to the operative estimates. County and city officials meet periodically throughout the year to discuss budget and service issues.

Price Determination

The Budget and Finance Office of the King County Sheriff's Department is responsible for determining the cost of each service. This is done through a process of gathering relevant costs from the Sheriff's budget, along with charges from the general county government, and distributing them to the services identified.

The figure on the next page (Figure 1) illustrates how this process works. Cost determination can be viewed as a three-step process:

1. Gathering all relevant costs.
2. Allocating these costs to 45 specific service areas in 3 categories, "Non-chargeable Services," "Precinct/City Services," and "Support Services."
3. Allocating costs of Precinct/City Services and Support Services to specific contract cities according to their contractual agreements.

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As shown in Figure 1 (this example uses current year costs), the process begins with accumulating all budgetary accounts for which the Sheriff's Department is responsible (\$82.6 million), adding to it general government charges (\$1.89 million) and other adjustments not shown in the Sheriff's budget (\$1.16 million), and then deleting certain unrelated charges (\$5.94 million) that are included in the Sheriff's budget. (See the top line in Figure 1 on the next page.) For 1998, this produces a total net cost of \$79.7 million, labeled "policing costs" which are then considered for further allocation.

These costs (\$79.7 million in 1998) are then allocated among the 45 services listed under the 3 broad categories. The amounts calculated for each service are shown in the chart under the respective service. For example AFIS costs \$11.7 million; Child Find, \$0.2 million, etc. When these costs are aggregated into their respective categories, the following results (for 1988) are obtained:

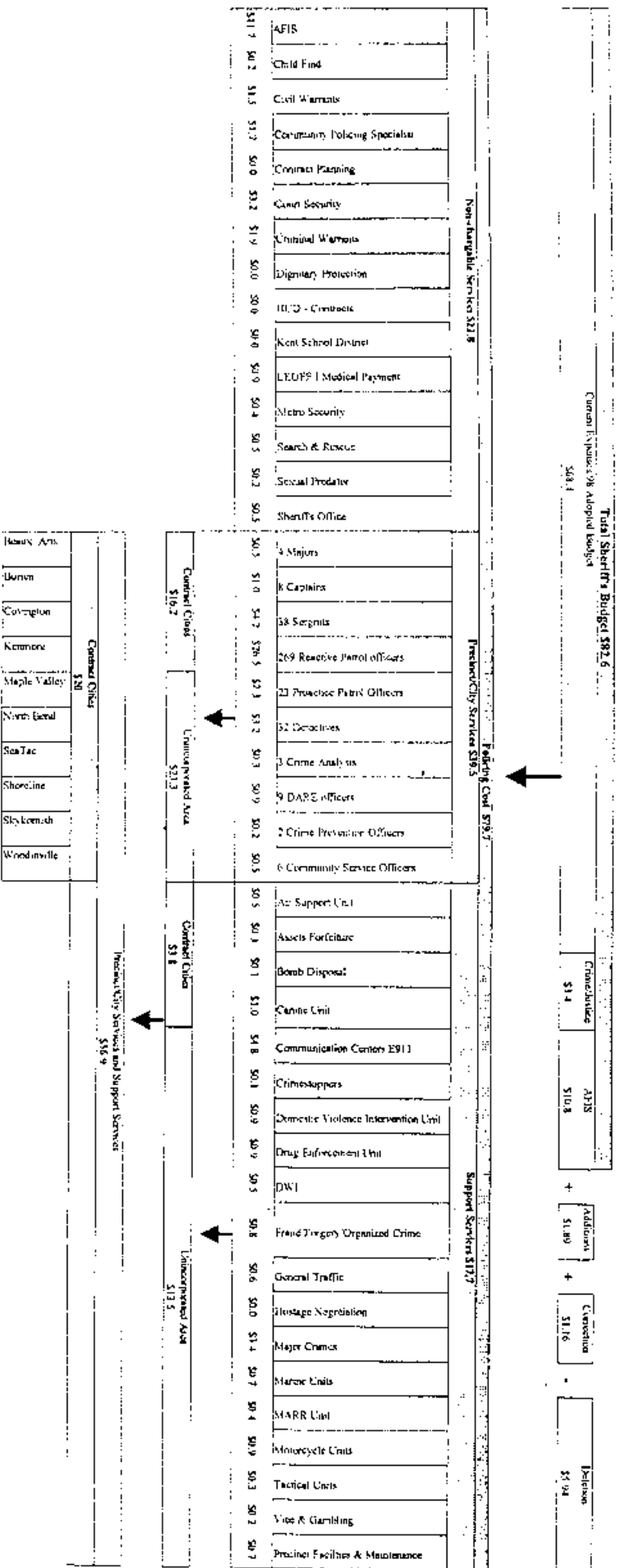
1. **Non-chargeable Services** (\$22.8 million)
2. **Precinct/City Services** (\$39.5 million)
3. **Support Services** (\$17.7 million)

Additional explanatory information on major elements of the costing process are provided in Chapter III of the body of this report and the "technical user" of the model can turn there for information while we move on to summarizing overall lessons learned in this chapter.

Lessons Learned from Review of Costing System

- The County has made a serious attempt (that is in keeping with the "mutual advantage" equity concept) to identify relevant costs and to take into account a number of different circumstances in determining service costs and unit costs.
- Care is taken to exclude costs that are not relevant to the service contracts; certain costs (such as costs of the Sheriff's executive office, and county-wide services like search and rescue are excluded). While there is a legitimate basis for such exclusions (and other additions), there is always room for honest disagreement. There are, however, perhaps as many cases where the county excludes a cost that it might have included as there are where it includes a cost that might have been excluded. For example, the county excludes the cost of outfitting additional officers (uniforms, equipment, auxiliary equipment on vehicles, etc.).

Figure 1
Contract Costing Process Model



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- Great pains are taken to differentiate costs on a service by service basis; the salaries and fringe benefits of the individuals working in a particular area are used to determine the costs for that service rather than using County-wide averages; cost distribution formulas are calculated separately for different services or activities so that one activity (which may be purchased at a differential rate than some other) will not overstate the cost of another activity.
- The methodology used is a logical one that follows generally accepted accounting principles; other methodologies, however, could also be developed following these same accounting principles.
- Contract cities are given numerous options to shape services and to reduce costs; these options complicate the cost allocation process.
- The entire system is very complex.
- The costing book ("Yellow Book" and its successors) are detailed documents that contain the information needed to understand the costing methodology. Having a three-book process (August), (March and May) does not seem necessary.
- The costing books lack narrative that would lead a reader through the many schedules.
- The unit costs identified in a particular version of a costing book may not always "track" precisely with the figures shown in the Schedule B's, as these documents are not always updated together.

Chapter IV. Issue Papers

This chapter contains **Issue Papers** that address matters that are key study tasks as defined in the Request for Proposal to include:

Issue Paper #1: Lessons Learned from Other Counties in Municipal Police Service Contracting—contains best practice benchmark information on police service contracting in the State of Washington and nationwide. Suffice it to state, with the exception of Pierce County, that Washington counties do not engage in service contracting as heavily as King County. This is due

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in some cases to their rural character and smaller populations and/or a lack of need for such contracting. Pierce County has well-developed contact arrangements but they do not have any features that would improve the police service contracting now taking place in King County.

Nationally, It is interesting to note that none of the counties reviewed and/or surveyed had the combination of features (supporting a mutual advantage approach) found in King County such as: the strong statement of underlying principles, the variety of police service models, the equivalent of a "three book budget process," or provided anywhere near the participation in shaping the contracting program or detail furnished by King County. The counties that had elements that could be considered for utilization in King County are Los Angeles and San Diego.

The County survey results are provided on the following page.

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Summary of Survey-Other Counties Police Service Contracting Characteristics

County	Provide Contract Services (Yes or No)(of contracts)	Overall Budget vs. Contract Value	All Services	Distinguishing Characteristics (cars, uniforms, relationship w/cities)	Setting of Fees	Published Cost List	Regional Services	Comment
Alameda, CA	Yes/4	8.2 Mil/3.7 Mil	Yes	Yes	Unilateral	No	Yes/major crimes	Similar to Contra Costa
Broward, FL	Yes/10	275 Mil/245 Mil	Yes	No	Negotiated	No	No	
Contra Costa, CA	Yes/4	92 Mil/9.1 Mil	Yes	Yes	Unilateral	Yes	Yes-full service	
Fairfax, VA	No							
Gloucestershire, UK	Yes/1	172 Mil/714K	Yes	No	Negotiated	No	No	
Hamden, CT	No							
Jefferson, KY	Yes/25	35 Mil/2 Mil	Yes	No	Unilateral	No	No	Contracts are for "additional patrol" Regular patrol no cost
Los Angeles, CA	Yes/40	1.1 Bil/142 Mil	Yes	Yes/cars	Unilateral/ Co. Auditor	Yes	Yes-full service	Now use "single price structure" - was multifaceted
Los Vegas, NV	No							
Maricopa, AZ	Yes/6	144 Mil/2.6 Mil	No	Yes/cars	Unilateral	No	No	
Montgomery, OH	Yes/3	26.5	No	No	Negotiated	No	No	
Orlando, FL	Yes/full	72 Mil/714 Mil	Yes	No	Consultation	Yes-full service	Yes	
Sacramento, CA	Yes/1	198.6 Mil/10.9 Mil	Yes	Yes/cars	Unilateral	No	No	Unit of Service
San Diego, CA	Yes/4	206.4 Mil/36 Mil	Yes	Yes/cars	Negotiated	Yes-full service	Yes	Unit of Service and county/cities committee in administer agreements
Suffolk, NY	No							

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The material from Los Angeles and San Diego was interesting in as much as they went further with a loaded service rate than King County. San Diego's approach loads officer/service units fully for two separate service elements: (1) law enforcement and (2) traffic.

Four significant recommendations developed from this issues paper:

Short-Run Recommendations

1. Consider eliminating the "three cost book approach." Publish one book, cap it, and reconcile/provide credit for next year in the spring based on actual figures as transmitted by a letter form budget change document, or publish one book with contract city costs being based on last year's "actual" figures with a reasonable inflation factor being added to compensate the County for carrying potential cost increases for one year. This factor could be based on a rolling average over a period of time such as three years.
2. Consider adopting and using an Annual Joint Operating and Financial Plan and process similar to the one used in San Diego County.
3. Use county-wide the performance management system successfully utilized in San Diego, Portland, and Los Angeles. An example of performance management is furnished in a subsequent issue paper.

Long-Run Recommendation

4. In the longer run, consider fully loading and selling/purchasing "loaded service units." This could be done on a prototype basis for one community. It is PAS's opinion that provided performance management is in place, the contract cities will be pleased with this approach since they will focus on setting and monitoring administrative and operational goals and objectives and not on more and more extensive cost detail.

Issue Paper # 2: Benchmarks for City Police Departments--This paper starts by displaying police expenditures and staffing nationwide by population group and then compares benchmark cities in Washington to the King County Contract Cities on key variables. This is to provide a rough comparison for contract city officials in examining costs/activity (and to a limited degree performance on the benchmarks).

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As pertains to King County comparisons, contract costs per capita for Shoreline are significantly less than costs for cities responding that provide "their own" police service. As relates to Sea Tac, their contract costs are higher than non- contract cities. This is due to Sea Tac choosing to staff at these levels to meet their perceived needs, to offset the need for high levels of overtime and to deal with high traffic density.

Burien's contact costs are well below the costs of the comparables in their population class. Covington, Maple Valley and Woodinville also have lower costs than all comparables except one, that is so low, that the reported data is suspect.

As pertains to national data the "Pacific Coast" average at \$177.55 is higher than all King County contact cities except Sea Tac. If you compare national data in population classes, it is all over the ballpark.

The point is made numerous times in this report that comparisons such as these are rough guides or can be used only as approximations. There are no really comparable local governments. These rules of thumb do point up that routinely costs for non-contract cities are higher than those furnished through the KCSO.

These comparisons can also be used as approximations in examining the costs of current contracts versus budgets for stand-alone departments developed by PAS. In these cases the current staffing by SeaTac and Shoreline and efforts to build budgets by PAS that are realistic, but conservative (budgets that we could live with as former police administrators and city managers that meet the test of providing equivalent service) and result in costs for "stand-alones" that in these two cases that are slightly less than at present.

In other cases, budgets for stand-alones were significantly higher than for contracts and higher than previously mentioned per capita costs. It should also be noted that it is PAS's experience that "new" stand-alone agencies grow fast subsequent to the first few years operation. From a practical perspective, few stand-alones could make it without continuing central support for communications and other special and regional services.

Issue Paper # 3: Performance Management--Service Requirement and Resource Definition Performance management not only creates a sense of mission for the service provider and improves productivity, but also can enhance the credibility of the law enforcement agency providing the service. An illustration of the types of performance reports that should be available is contained in this Issue Paper. Performance management can help to manage overtime and it furnishes a means for contract city managers and elected officials to influence positively police operations in their community.

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Issue Paper #4: Opinions of Contract City Customers—This paper summarizes the opinions of contract city customers that were obtained through structured interviews and by a customer satisfaction survey (completed by representatives of the contract cities).

Police services were rated highly by contract cities in the PAS survey with respondents rating the service a “solid B.”

From a financial or cost perspective, however, respondents stated dissatisfaction regarding:

- Understanding of the allocation of overhead by the county to the Sheriff’s Department and overhead charged in contracts for police service. There was comment by city representatives advocating that the County Council consider a policy that modifies (reduces) cost recovery as pertains to contract cities. This was the matter mentioned more as a concern than any other (and with more forcefulness).
- The “three cost book” budget process was called “overkill.” A “one book” process was discussed. Respondents described the Yellow Book as containing too much detail. On the other hand, there was mixed opinion on the kind of information supplied in it (three cities rated it “about right” and four as containing “too much detail”).
- Annual police reporting for each contract city was criticized as being of limited value. Performance data (outcome) was requested to be linked with bills for service so that costs could be linked to service rendered and “course corrections made” if necessary.
- Overtime calculations were described as “impossible to track.”
- Policy/procedures for paying for “vacant positions” was criticized.
- The definition of role of contract city chiefs was described as being important and delay in finalizing the role definition was mentioned critically. (Note: Since this data was collected, the Chief’s role has been properly defined.)

Issue Paper # 5: Time and Method for Contract City Input on Budget Requests by the King County Department of Public Safety (KCDPS) It is recommended in this Issue Paper that the County, the Sheriff, and contract cities consider utilizing the strategic business

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planning process to develop a multi-year police services master plan and use this plan as an adjunct to the budget to obtain city participation and “buy in” or rejection of the Sheriff’s initiatives. This would be in lieu of trying to change the timing of either the County or the cities budget calendars/budget processes.

Issue Paper # 6: Contract City Budgets Within the King County Department of Public Safety Budget--It is recommended in this paper that the “budget within a budget concept” not be implemented. Alternatively, it is suggested that the managing of police resource concepts adopted by the KCSO be utilized throughout the County and in the contract cities and that the current effort to properly define the authority/responsibility of contract city chiefs be completed. In addition, it is suggested that a training session for police managers on approaches and techniques to manage overtime be developed and used.

Issue Paper # 7: City Ownership Interest in Vehicles--A review by PAS reveals that the police vehicles are rented “from the County” and the cities have no ownership interest in them. There is a “Vehicle and Equipment Rental and Revolving Cycle” utilized for the acquisition and rental of the police and other county vehicles.

Issue Paper # 8: County Replacement Fund Laptops--This paper details the different approaches to furnishing laptops and the ownership interest in them. Under the existing “Mobile/IRIS” laptop program, only those cities that purchased the computers have an ownership interest (Burien and Sea Tac at present) in these computers. These computers will be returned to the Burien and Sea Tac at the end of three years or upon replacement.

From the perspective of the best use of these “tools of productivity,” PAS concludes that the laptops should be considered to be a part of the officer/employees basic equipment in much the same manner that an officer’s side arm is. The laptop costs should be included in the basic costs for an officer assigned duties requiring this equipment (eventually most duties) and not be the subject of separate agreements or Memoranda of Understanding.

Chapter V. Stand-Alone Police Departments--Organization and Staffing

This important chapter reviews the different approaches to staffing and organizing a police agency to include: a detailed organization and management study (beyond the scope of this review), comparisons with other similar cities, use of analytical tools or models (such as Patrol Plan (PP) or Managing Patrol Plan (MPP) [County and Cities did not desire this model be used as the primary staffing tool], and the experience and judgement of the consultants to replicate the current contract cities service levels in staffing “stand-alone” city departments.

PAS used the “experienced judgement” approach and based its recommendations upon it. PAS also include in the staffing tables in the body of the report a column to show what the staffing result would have been had we used the MPP model. Note in these tables there is little difference, with the exception of Sea Tac where unusual circumstances exist and in the model’s support of generalist officers.

The staffing recommended by PAS in this chapter versus the current staffing is illustrated in the table below:

CONTRACT CITY STAFFING RECOMMENDATIONS
UNDER STAND-ALONE OPERATION

City	Existing Police Department FTEs at Precinct Level	Proposed Police Department FTEs at Precinct Level
Burien	32.06	38
Covington	8.00	11
Maple Valley	10.73	14
North Bend	5.57	11
SeaTac	43.12	45
Shoreline	43.31	44
Woodinville	8.92	11

Chapter VI. Costs of Stand-Police Departments

This chapter builds on the staffing recommendations in Chapter V and develops budgets for stand-alone police departments for the contract cities subject to this study. These budgets include both start-up and recurring costs and illustrate the first year’s operation. The qualitative aspects of contracting for service from a large agency are also mentioned in this chapter. Suffice it to state that stand-alone departments would be unrealistic without certain central or regional services provided by the Sheriff. Even with continuation of these central services, it would be difficult for the contract cities to provide the existing comprehensiveness and depth of service that is furnished through the KCSD. In addition, it is PAS’s experience that

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costs for newly formed municipal police departments increase significantly subsequent to the initial year's cost control efforts. Suffice it to state that possible "lower costs" in the first year or two should not be the paramount factor in deciding to form a municipal "stand-alone" police department.

A cost comparison between current contract costs and those for stand-alone departments is presented below:

**COMPARISON OF COSTS CURRENT VS.
STAND-ALONE OPERATION**

City	Current Costs for Contract Services	First Year Costs Stand-Alone Police Departments
Burien	\$3,950,886	\$4,503,397
Covington	\$1,006,318	\$1,293,783
Maple Valley	\$1,188,991	\$1,504,863
North Bend	\$576,766	\$1,168,021
SeaTac	\$5,021,765	\$4,986,386
Shoreline	\$5,146,047	\$5,100,801
Woodinville	\$1,126,216	\$1,258,395

Implementation Plan Outline

The final section of this Executive Summary is an implementation plan outline that includes a brief "task list" illustrating those actions necessary to implement this report.

IMPLEMENTATION OUTLINE POLICE SERVICES CONTRACTING			
Task	In Body of Report at Page and Chapter	Action By	
1. RECEIVE PAS FINAL REPORT.	N/A , ,	STUDY COORDINATOR AND STEERING COMMITTEES	
2. REVIEW REPORT WITH PAS AND MAKE ADJUSTMENTS.	N/A	STEERING COMMITTEES AND PAS	
3. CONSIDER MODIFYING COST BOOK PROCESS BY ADDING EXPLANATORY NARRATIVE INFORMATION RECOMMENDED BY PAS.	Page 45, Chapter III	SHERIFF'S BUDGET AND ACCOUNTING OFFICE	
4. PLACE COST BOOK INFORMATION ON THE INTERNET/WEB PAGE AND INCLUDE EXPLANATORY INFORMATION, ANSWER "10 MOST ASKED" QUESTIONS. IN FUTURE MAKE INTERACTIVE.	Page 46, Chapter III	SHERIFF'S CONTRACT AND INFORMATION UNITS	
5. CONSIDER USING PAS "EXPLANATORY INFORMATION" IN A "COST MODEL MANUAL."	Chapter III	SHERIFF'S BUDGET AND ACCOUNTING OFFICE	
6. CONSIDER USING ONLY ONE "COST BOOK," AS OPPOSED TO THREE BOOKS.	Page 59, Issue Paper #1, Chapter IV	STEERING COMMITTEES/PARTIES TO AGREEMENT	
7. ADOPT COUNTY-WIDE A PERFORMANCE MANAGEMENT SYSTEM.	Page 64, Issue Paper #3, Chapter IV	STEERING COMMITTEES/PARTIES TO AGREEMENT AND SHERIFF	
8. USE PATROL PLAN TYPE MODELS ON WHICH TO BASE STAFFING.	Pages 69, Issue Paper #3, Chapter IV	STEERING COMMITTEES/PARTIES TO AGREEMENT	

IMPLEMENTATION OUTLINE: POLICE SERVICES CONTRACTING		
9. USE OUTCOME ORIENTED REPORTS. PROVIDE THEM ON A MONTHLY BASIS TO CONTRACT CITIES (WITH INVOICES TO MEASURE COSTS VS. ACCOMPLISHMENT).	Page 79, Issue Paper #3, Chapter IV	STEERING COMMITTEES/PARTIES TO AGREEMENT
10. REVIEW ANNUALLY, AND DISSEMINATE AS A PART OF THE BUDGET PROCESS, THE COUNTY EXECUTIVE'S AND COUNTY COUNCIL'S POLICY ON COST RECOVERY.	Page 47, Chapter III	COUNTY BUDGET AND SHERIFF'S BUDGET AND ACCOUNTING OFFICE
11. CONSIDER PAS'S COMMENTS ON COST FORMULAE AND COST CAPPING.	Page 39-45, Chapter III	PARTIES TO THE AGREEMENT
12. ANNUALLY CONSIDER AND ADOPT A JOINT OPERATING AND FINANCIAL PLAN (INCLUDES 1 YEAR SLICE OF POLICE SERVICE MASTER PLAN).	Page 59, Issue Paper #1	PARTIES TO THE AGREEMENT
13. EXPLAIN FULLY OVERHEAD CALCULATIONS BASED ON THE ABOVE COUNTY COUNCIL POLICY.	Page 45-47, Chapter III	SHERIFF'S BUDGET AND ACCOUNTING OFFICE
14. USE SUMMARY DATA TO LEAD INTO EXHIBIT B THAT COMPARES NEXT YEAR WITH CURRENT YEAR.	Page 45-47, Chapter III	COUNTY BUDGETING OFFICE
15. USE STRATEGIC PLANNING TO DEVELOP A POLICE SERVICES MASTER PLAN TO PROVIDE "LEAD TIME" ON SHERIFF'S INITIATIVES AND TO INVOLVE CONTRACT CITY STAKEHOLDERS IN THE PROCESS.	Page 95, Issue Paper #5, Chapter IV	SHERIFF AND STEERING COMMITTEES/PARTIES TO AGREEMENT
16. COMPLETE STAFF WORK ON CONTACT CITY CHIEF'S ROLE AND ON THOSE MATTERS RESERVED FOR SHERIFF AND PUBLISH/DISSEMINATE IT.	Completed by KCSO	SHERIFF'S CONTRACTING UNIT
17. ACKNOWLEDGE THAT UNDER THE CURRENT RENTAL SYSTEM, CONTRACT CITIES HAVE NO OWNERSHIP INTEREST IN POLICE VEHICLES.	Page 103, Issue Paper #7, Chapter IV	CONTRACT CITIES

IMPLEMENTATION OUTLINE POLICE SERVICES CONTRACTING		
18. ACKNOWLEDGE THAT "BUDGET WITHIN A BUDGET" APPROACH WOULD ADD NOTHING TO THE PROCESS.	Page 101, Issue Paper #6, Chapter IV	PARTIES TO THE AGREEMENT
19. ACKNOWLEDGE LAPTOP REPLACEMENT PROGRAM AS DESCRIBED IN ISSUE PAPER AND CONSIDER ELIMINATING SEPARATE AGREEMENTS FOR LAPTOPS AND MAKE THEM A PART OF AN OFFICER'S BASIC LOAD.	Page 104, Issue Paper #7, Chapter IV	PARTIES TO THE AGREEMENT
20. CONSIDER STAFFING PATTERNS PAS INDICATES ARE NECESSARY FOR STAND-ALONE POLICE DEPARTMENTS.	Pages 130-145, Chapter V	PARTIES TO THE AGREEMENT
21. COMPARE PAS STAFFING PATTERNS WITH THOSE GENERATED THROUGH PATROL PLAN/MANAGING PATROL RESOURCES MODELS.	Pages 130-145, Chapter V	PARTIES TO THE AGREEMENT
22. CONSIDER STAND-ALONE POLICE DEPARTMENT COSTS AS DEVELOPED BY PAS.	Pages 147-184, Chapter VI	PARTIES TO THE AGREEMENT
23. USE CAUTION IN COMPARING STAFFING AND COSTS OF STAND-ALONE DEPARTMENTS WITH COMPARABLES- THESE COMPARISONS ONLY ARE USEFUL FOR "RULE OF THUMB/BALLPARK" GENERALIZATIONS.	Pages 117-129, Chapter V	PARTIES TO THE AGREEMENT
24. HAVE AN ANNUAL FINANCIAL AUDIT CARRIED OUT BY AN INDEPENDENT AUDITOR OF COST MODELS.	Page 46, Chapter III	PARTIES TO THE AGREEMENT
25. CONSIDER, IN THE LONG RUN, MOVING TO A MORE FULLY LOADED SERVICE UNIT CONCEPT.	Page 59, Issue Paper #1, Chapter IV	PARTIES TO THE AGREEMENT
26. TRY FULLY LOADED SERVICE UNIT CONCEPT ON A TRIAL OR PROTOTYPE BASIS.	Page 59, Issue Paper #1, Chapter IV	PARTIES TO THE AGREEMENT

Attachment B

Cost of Stand-alone Police Departments (methodology and Shoreline costs only)

VI. COSTS OF STAND-ALONE POLICE DEPARTMENTS



This chapter fulfills the Public Safety Request for Proposal requirement to “develop cost estimates for each contract city for a stand-alone municipal police department based on the same level of service provided under the current agreement with King County.”¹³ Organization and staffing models on which the cost estimates are based are in Chapter V.

The chapter begins with a review of potential start up and one time capital costs and then moves to building a pro forma budget for each of the contract cities.

Discussion of start-up costs include:

- \$ Police Station.
- \$ Vehicles.
- \$ Recruitment and selection.
- \$ Outfitting of personnel.
- \$ City support/overhead.
- \$ Planning for an independent police department.
- \$ Continuing county support/regional services.

Discussion of cost of stand-alone police departments include key assumptions such as:

- ① Furnish same service level as at present.
- ② Regional salary and fringe data reviewed.
- ③ To be competitive current KCSD salary and fringe data used.
- ④ Necessary city support included-human resources, finance, clerical.
- ⑤ Vehicle take home continued.
- ⑥ Vehicle replacement 5.5 years.
- ⑦ Each police department would have its own station with size of station calculated on basis of 175 sq ft per employee.
- ⑧ Construction costs are estimated at \$121 per sq ft and annual station maintenance at \$3.00 per sq ft.
- ⑨ Communications purchased from County.
- ⑩ Insurance rates from Washington Cities Insurance Authority of \$1726 per FTE.

Concluding comment in this chapter includes remarks on potential overall quantitative and qualitative differences between being supported by a large police agency versus a small police department.

A. Start-Up Costs

The following items are identified as start-up costs that would be incurred in establishing independent city police departments. Also discussed are some steps that would need to be taken which may, or may not, have significant cost implications. Separate cost estimates for each contract city have been prepared following the guidelines contained in this paper as adjusted for individual circumstances.

Key Cost Items

The key cost items include:

- Police station and furnishings.
- Police vehicles and associated equipment.
- Recruitment and selection of command staff, police officers, and supporting departmental personnel.

¹³From page 12 of the Request for Proposal-Tasks 1-5.

- Outfitting of police personnel.
- Acquisition of any additional city-wide administrative support personnel, facilities, equipment, systems, or services needed.
- Planning costs associated with independent operation.

Police Station

The department would obviously need a police station. This could be achieved in any number of ways: construction of a new facility, extension to a city hall or other existing city building, utilization of unused space already owned by the city in city hall or elsewhere, purchase and renovation of an existing building, or rental of space. The appropriate course of action would depend on individual circumstances. Associated costs would vary accordingly.

Recent Experiences. Recent experience of local police departments in Federal Way and Shoreline provides some guidance in this matter.

Federal Way. When Federal Way separated from the county service contract, it acquired and renovated space that was being used by KCSD. It now occupies about 22,000 s.f. including about 2,000 s.f. of leased space for an undercover crime unit. Funds are in the budget for a new police facility estimated to cost about \$ 100 per s.f. including land. It has a police department of about 125 FTEs.

Shoreline. Shoreline has already developed its own police station even while contracting with KCSD for the police service. It acquired a 5,478 s.f. building on 0.7 acres of land and renovated it. The cost of the building and land was about \$814,000; renovations (including professional services), about \$ 300,600; and furnishings and equipment, another \$132,900 for a grand total of about \$1.25 million . The land itself is valued at about \$473,666, so the cost of the refurbished building (exclusive of furnishings and equipment) was about \$641,278 or \$117/s.f. It houses a staff of about 43 FTEs. The building serves as the Shoreline precinct headquarters. Some ancillary services such as evidence storage are still provided from the Kenmore precinct. Shoreline receives a credit from KCSD for the use of the facility.

Cost Estimates. For the purpose of this exercise, costs are estimated on the basis of constructing a new, free-standing police station, unless otherwise noted in the individual estimates.

Building Space Requirements. Space requirements are estimated at 175 s.f. per FTE. This represents a middle figure well below the IACP suggested standard of 260 s.f. per occupant, but higher than some existing stations such as Shoreline which provide 127 s.f./FTE or KCSD precincts which provide between 73 to 90 s.f. per FTE. Federal Way provides about 176 s.f. per FTE.

Construction Costs. Construction costs are estimated at \$121 per square foot excluding land and furnishings. (If city owned land is already available in individual situations, land costs are not included.) Available data show that construction costs vary widely from \$88/s.f (1st Quartile) to \$148 (3rd Quartile) and a median of \$117. Using the construction cost index of 102.4, the adjusted median cost is \$121 per square foot. This is for the building only, excluding equipment and furnishings, (telephone system, computers, furniture, etc.).

Land Requirements. Land requirements are highly variable depending on building size, parking requirements, and landscaping desired. A one story building will require a higher building-to-land ratio than a multi-story building. Parking requirements depend on the size of the staff housed and the number of public parking spaces needed according to local building and zoning codes. The availability, or absence, of other municipal parking in close proximity will also affect parking needs.

A common planning rule of thumb is to multiply the ground floor building area by 1.85 to accommodate the building footprint, setbacks, access lanes, landscaping, etc. and then add parking requirements. This typically comes to about 5 s.f. of lot for each square foot of a one story building. Thus, a 5,000 s.f. one-story building would require a 25,000 s.f. lot or 0.57 acres. Shoreline has a 5,478 s.f. building on a 30,308 s.f. lot, a lot-to building ratio of about 5.5.

Land Costs. The price of land depends principally on location. For the sake of these estimates land is priced at \$700,000 per acre (using Shoreline's recent experience).

Furnishings. Furnishings are estimated at about 20% of building costs.

Professional Fees. Professional fees are estimated at 9% of construction costs.

Police Vehicles and Associated Equipment

The police department would need to acquire and equip its own vehicles.

Number and Types of Vehicles. For the purposes of this exercise, the number and types of vehicles to be purchased by the city is the same as presently used under the KCSD contract. This amounts to one vehicle per officer.

Purchase Price. Municipalities would have the choice of purchasing new or used vehicles. It is assumed that it would be possible to purchase from King County the police vehicles now used to service the city at their current depreciated value, or to purchase surplus KCSD vehicles at auction. The city could also choose to purchase new vehicles. In this case, it is assumed that the city could take advantage of joint purchasing agreements to obtain the same purchase price as now obtained by KCSD which is currently \$22,654.

Auxiliary Equipment. In addition to the vehicle cost, KCSD currently spends about \$ 7500 to outfit each new car with lights, siren, gun rack, radio, markings and other equipment. This cost is currently absorbed by the county and not passed on to the user in the rental rates. Consequently, this amount, \$7,500 is added to the cost of each new vehicle under city ownership. The total cost is therefore \$30,154 per police car.

Recruitment and Selection of Police Staff

The City would need to recruit and employ its own police staff, from the chief and other command officers, to police officers, community service officers, and other police department support personnel.

Predicting the cost of this process is difficult as it would depend on decisions to be made by the city and by individual officers. If the KCSD staff currently serving the city simply moved over to city employment, the costs would be minimal. If the city were to go through normal advertisement, testing, and selection procedures, the costs would be considerable. If uncertified personnel were hired for police positions, an additional training cost would be required, including the salary of the recruit while at the Academy and during field training. If the city decided to conduct a nationwide search for the chief or other officers additional costs would be incurred, including potentially the fee of a professional recruiter and perhaps relocation costs.

Based on discussions with the steering committee, the following estimates are made:

- One third of the work force would be transferred from the County Sheriff's Office; no further screening or testing costs would be incurred.
- One third would be lateral transfers from other police departments; they would not need to be sent to the academy, but the city would conduct background and polygraph tests and medical exams.
- One third would be new recruits that would need the full battery of tests and would have to attend the academy.

The following recent (Spring 1997) recruitment and testing experience of King County is instructive

- 812 applications were received.
- 745 were invited to take the physical test.
- 369 took the physical test.
- 239 passed the physical test.
- 239 were invited to take the written exam.

- 239 took the written exam.
- 96 passed the written exam.
- 96 were invited to oral boards.
- 84 took the oral boards.
- 65 passed the oral boards.
- 65 were given background checks including criminal history, polygraph, and psychological exams.
- 40 passed the background check and were put on the list for hiring.

Medical exams are given only after an opening occurs and an individual is selected from the civil service list. From experience, few that have gotten this far fail the medical exam. Those that do fail, usually fail the drug screening.

Thus, for every 10 officers to be hired, it is required to conduct:

- Review 200 applications.
- Conduct 92 physical agility tests.
- Conduct 60 written exams at \$20 per test for scoring.
- Conduct 21 oral board exams.
- Conduct 16 background checks, polygraphs and psychological exams at about \$500 each not counting Internal Affairs officers' time to conduct the background check.
- Conduct 10 medical exams at about \$250 per person.

The following costs are associated with this process:

- Advertising in local papers: *\$900 per insertion.*
- Testing of applicants (including written tests, agility tests, physical exams, psychological exams, polygraph test, background check): *\$1,500 per person hired.*
- Salary and benefits of recruit while at academy 16 weeks: *\$18,900* (State standards will require 760 hours for Basic Law Enforcement Training in the future instead of the current requirement of 440 hours).
- Salary and benefits of recruit while in field training, 3 months: *\$15,349.*
- Salary and benefits of field training officer, 3 months: *\$18,958*
- Use of professional recruiter: *30% of annual salary of position recruited.*

Outfitting of Police Personnel

The department would have to provide an initial outfitting of each police officer. Officers transferring from KCSD are already outfitted, but the city would probably need to reimburse the county for this.

It presently costs King County about \$2,500 to outfit each new officer. This includes uniform, leather goods, patch, badge, protective vest, pager, etc. It does not include the handgun which costs about \$500 or shotgun at \$300. Motorcycle officers cost more for their boots and other items.

In addition, each officer is provided a laptop computer and a portable radio.

In summary, it costs the following to outfit each new officer:

Uniform:	\$2,500
Weapons:	800
Computer:	3,500
Radio:	2,600
Total:	<u>\$9,400</u>

Augmentation of City Support Services

Taking on the responsibility of a city police department would create an additional load on city supporting services in such areas as: human resource management, legal services, accounting and finance, computer services, radio maintenance, vehicle maintenance and others. Some of these services could be met through contracting, but others undoubtedly would fall onto city staff. In either case, an additional expense would be generated. In some cases, city administrative resources may be able to handle the additional load; in other cases, additional personnel would have to be hired. Each new employee would require work space, furniture, and equipment. For the sake of this exercise, a case by case determination is made as to what additional personal and contractual services would be required to provide the necessary support to the police department.

The cost of additional personnel and contractual services are not counted as start up costs in this analysis. These costs are simply added to current operating costs. The start up costs considered here include only office furniture and a desktop computer estimated at \$ 4,000 per new employee.

Planning Costs

Before a city decided to set up an independent police department, it would make a detailed analysis of estimated costs considering its unique situation and options.

Once a decision to establish an independent city department was made, an additional level of detailed implementation planning would be required.

Much of this planning would probably be done in-house using existing resources, but other outside professional services may also be required on a contractual basis.

Exclusions

In calculating start-up costs, certain items were deliberately omitted. These include the following:

- **Dispatch Center.** Considering the regional and county options available, it was determined that none of the municipalities would wish to establish its own communications center.
- **Lockup.** Because of the prohibitive costs, no provisions are made for including overnight lockup facilities. Police station budget estimates include only short-term holding cells.
- **Repair Garage.** No provision is made for establishing an automotive repair operation within the police department, nor for establishing a municipal garage where one does not exist. The cost of equipment maintenance is included in the current operating budgets. This includes an overhead charge. These funds can be utilized to purchase services commercially. If an individual city with a municipal repair facility wished to maintain police cars in-house, an increase in garage personnel may be needed. This is treated under the heading of "Augmentation of City Support Services" described above.

Summary of Planning Criteria and Unit Cost

The following criteria and unit costs were used in establishing start up costs:

Police Station

Building: 175 s.f. per FTE
Building cost: \$121 per s.f.
Land: 5:1 land: building footprint ratio
Land cost: \$700,000 per acre
Furnishings: 20% of building costs
Professional fees: 9% of construction costs

Vehicles

One vehicle per officer
Purchase price, new: \$22,654
Auxiliary equipment: \$7,500
Total vehicle cost: \$30,154
Average life 5.5 years
Assume all new equipment required at a cost of \$30,154 per vehicle

Recruitment, Selection, Training

Advertising: \$900 per insertion
Testing: \$1,500 per officer or recruit hired
Academy training: \$18,900 per person hired (salary and benefits, 16 weeks)
Field training: \$15,349 per recruit (salary and benefits, 3 months)
Field training officer: \$18,958 per FTO (salary and benefits, 3 months)
Professional recruiter: 30% of annual salary of position recruited

Outfitting of Police Officer

Uniform and equipment: \$2,500
Weapons: \$800
Computer: \$3,500
Portable Radio: \$2,600
Total costs of outfitting: \$9,400 per officer

Stand-Alone Police Department Budgets

Exhibit 1 shows an estimated current operating budget for FY 1998 for a stand-alone municipal police department for each contract city. This fiscal year was chosen in order to compare these costs with the current budget under the contractual arrangement with the King County Sheriff Department. This budget represents the recurring expenses needed to maintain the department once established. It excludes one-time capital and other start-up costs needed to establish the department

except to the extent that such costs are represented as annual debt service or depreciation costs. As such, this budget represents what the city could expect to spend annually for its own police department on a continuing basis without adjustment for inflation. This budget permits a head-to-head comparison between contractual and stand-alone alternatives.

Exhibit 2 shows start-up costs that would be expected if the City were to establish its own police department. For the sake of simplicity, it is assumed that the City would borrow these funds during a transition period prior to actual startup (the contract requires an 18-month notice of intent to terminate) and would begin making payments on these borrowed funds during the first year of operation. These two exhibits, therefore, reflect what the City would need to borrow to establish its own department (Exhibit 2) and then what it would need to budget annually to cover current operating expenses and debt service (Exhibit 1).

Assumptions

In preparing these estimates the following assumptions were made:

1. **Same Level of Service.** The current level of service is assumed. This includes:
 - A. Employing essentially the same number of police personnel as presently provided through the contract.
 - B. Providing the same amount of supporting services as at present.
 - C. Providing comparable equipment and facilities as presently provided.
 - D. Being able to provide such services either in-house or by contractual arrangement.
 - E. Adding police and city administrative staff where necessary to make stand-alone operation possible.
2. **Source of Information.** The following sources of information were used:
 - A. Exhibit B, 1998 ver.3 to identify current staffing patterns and costs (precinct/city services) and the array and cost of support services selected and for workload data (three-year average).

- B. "Yellow Book," KCSD dated March 19, 1998.
- 3. **Cost Basis.** The following cost assumptions were made:
 - A. Regional salary data was reviewed and compared to KCSD salaries/fringes. It was concluded that in order to be competitive, the KCSD salaries and fringe data should be used.
 - B. The current KCSD salary schedule and fringe benefit rate would be applied to the city department. (Page 9-3, Yellow Book).
 - C. The current levels of "special pays" for detectives motorcycle officers, patrol officers, etc. would be continued. (Page 9-6, Yellow Book).
 - D. Any supporting services obtained from King County would be at the same unit costs as currently charged. (Exhibit B).
 - E. The cost of jail services is excluded from these calculations as they are budgeted separately and would not change by virtue of the stand-alone alternative.
- 4. **Specific Staffing Levels.** The following guidelines were applied to staffing. (See Schedule B for each contract city.)
 - A. Where the County provides whole numbers of personnel of a particular type, those whole numbers would be employed by the city at the same ranks and grades.
 - B. Where the City presently uses shared services of KCSD command employees such that fractions of employees' time are provided (e.g., 0.1 FTE of a major or .33 FTE of a captain), a judgment was made (and footnoted on the exhibit) to provide a necessary level of command structure most closely approximating the current aggregated level of command staffing.
 - C. In most cases it is necessary to increase police department administrative and clerical support beyond that currently provided on a shared basis at the precinct level due to the fractional amounts currently employed. One full-time evidence clerk and one full time office technician are provided as a minimum. One or more administrative clerks are also added to

provide secretarial and clerical support for the department on a case by case basis.

- D. Beyond these minimal staffing requirements, PAS felt it necessary to add command, supervisory, and patrol personnel in some cases because the levels derived from applying the above rules were simply insufficient to sustain stand-alone operation.. These additions are shown in a separate section on staffing which shows recommended organizational structures and minimum staffing requirements.

5. Vehicles and Vehicle Policies. The following assumptions were applied concerning vehicles:

- A. The municipality would continue to use the same number and array of equipment as presently utilized.
- B. The current "take-home" policy would be continued. The municipality, of course, would be free to change this, resulting in fewer vehicles but shorter life spans. This alternative has not been costed.
- C. The current 5.5 year replacement policy is assumed.
- D. It is assumed that municipalities could purchase and maintain the vehicles at the same cost as presently charged by King County, although this is not certain. (A survey by the King County Fleet Administration Division shows its costs to be 7.6% to 84% less than neighboring jurisdictions.) Current King County rental rates for a police car are \$682 per month broken down as \$304 for Operation and Maintenance, \$35 for Overhead, and \$342 for Replacement. Costs include accident repair. The county O&M and Overhead costs are included under operating costs in the stand-alone budget. Replacement and interest are included under capital costs.
- E. A cost of \$7,500 per vehicle for outfitting the car with radio, lights and other auxiliary equipment, which is presently absorbed by the county, is added to the capital cost of each vehicle to be amortized in 5.5 years at \$1,364 per year without interest.

- F. Interest costs of providing the vehicles, presently absorbed by King County, are added to the vehicle capital costs. This is estimated to be \$61 per month for 5.5 years assuming a 6% interest rate on \$22,654, the cost of a new vehicle.
- 6. **Facilities.** The following assumptions apply to facilities.
 - A. Each stand-alone police department would have its own police station.
 - B. The size of the police station would be calculated on the basis of 175 square feet of space per employee, with the exception of Shoreline which has a new facility of its own. (This is a modest requirement. Modern police station standards are about 260 square feet per employee. The current Shoreline police station of 5,478 s.f. provides about 127 s.f. per employee. The Federal Way police station of 22,000 s.f. provides about 176 s.f. per employee. King County precinct stations have about 11,000 s.f. or about 73 to 90 s.f. per employee) The required size of the facility depends on the features and amenities to be included and whether it is free-standing or combined with a municipal building with which it can jointly use space.
 - C. Construction costs are estimated at \$121.00 per square foot exclusive of land. (National 1998 data shows a wide variation of police station construction costs from \$88/s.f. (1st quartile), to \$148/s.f. (3rd quartile) and a median of \$117/s.f. The construction cost index for Seattle is 102.4. We are, therefore, using a locally adjusted median cost of \$121.
 - D. Whether or not additional land needs to be purchased is determined on an individual city by city basis.
 - E. Annual building maintenance costs are estimated at \$3.00 per square foot. This includes preventive maintenance and minor repair, custodial service, water, sewer, refuse, electric and heating costs. Professional building managers recommend budgeting 2% or 3% per year of construction costs on preventive maintenance alone (excluding cleaning and utilities, but municipalities rarely spend more than 1% for this. King County budgets \$6.47/s.f. for the maintenance of precinct facilities including preventive maintenance, minor repair,

custodial and lawn service and utilities. The City of Shoreline budgets about \$3.00 per s.f. maintenance of its new police station.

7. Communications.

- A. Communications costs are estimated on the basis of continuing to purchase this service from King County. KCSD presently sells such service for about \$36.08 per DCFS (dispatched call for service). We have been in touch with Valley Com which serves Federal Way and some other cities. It charges \$18.50 per DCFS. However, it does not screen calls like KCSD, but dispatches all requests. (King County receives several times as many calls as it dispatches). We are, at this time, unable to adjust the DCFS figures to a comparable basis. Moreover, Valley Com does not take reports over the phone like KCSD. In view of these differences, we cannot come up with a comparable unit cost for Valley Com. Consequently, we are using the present KCSD unit cost in the stand-alone estimates. A municipality may wish to investigate, on its own, if it wanted to maintain its service from KCSD or seek other alternatives. In no case, is the cost of establishing an independent municipal communication center included.

8. Insurance.

- A. Insurance is budgeted on the basis of the current rates of the Washington Cities Insurance Authority (WCIA) which are slightly lower than King County rates of \$2,002 per FTE. The WCIA currently charges \$0.83 per employee hour or about \$1,726 per FTE based on 2,080 hours per year. We have not done a detailed examination of the two policies, however, to compare their limits, exclusions, and other provisions.

9. Clothing and Quartermaster.

- A. The current KCSD unit cost of \$413 per uniformed officer for the annual *replacement* (not original issue) of uniforms and other personal gear is used. (Page 9-5 of the Yellow Book (Quartermaster);

- B. A clothing allowance of \$1,808 per year is provided for a limited number of non-uniformed personnel who are not detectives. (This allowance was formerly provided to detectives but is now included in their special pays. Only about 20 persons, 2% of the force, presently receive this allowance.)

10. LEOFFI Medical Payment.

- A. This is a medical benefit that has been eliminated except for those officers hired before 1977. For the purposes of these calculations, it is estimated that only 10% of the active officers are eligible for this benefit which costs about \$ 2000 per year.

11. 800 MHZ.

- A. The current KCSD annual cost of about \$1,393 per officer is used whether the city is using the KCSD dispatch service or not. If the city were not to use the KCSD service, this cost, which is covered under a separate agreement, would still continue. (P9-5, Yellow Book).

12. Telephone, Supplies, Printing and Other Services. It is difficult to estimate these costs without actual experience. The current KCSD rates are used.

- A. **Telephone.** The KCSD telephone charge \$428 (based on pro-rata *patrol* share) is charged to all departmental employees. This is for continuing service costs (not capital costs) of using the telephone system and pagers. This is the lowest pro-rated charge shown in the Yellow Book, page 9-5. Higher rates are calculated for CID, Technical Services, Communications, and Special Operations, but these services would remain with KCSD rather than being performed by the individual city under the stand-alone alternative.
- B. **Supplies.** The KCSD supplies charge of \$1,034 per employee is included. This is the rate applied to patrol officers. (Page 9-6, Yellow Book). Other services have either higher or lower rates.

- C. **Services.** The KCSD services charge of \$421 per employee is included. It is based on the patrol rate. Other services have higher or lower rates.
- D. **Printing.** Printing is not costed separately, but is assumed to be included in other services.

13. City Overhead.

- A. Rather than attempting to pro rate some fixed overhead cost, which may or may not be affected by taking on a police department, an attempt was made to look at each contract city's individual situation to see what *additional* general government resources would be needed to support a stand-alone police department. Special attention was given to human resource administration, finance administration, legal support, and computer support, among others. If the city could absorb the additional work with existing staff, no additional charge is made. Other overhead costs, such as for equipment maintenance, are assumed within those service costs. Thus, the overhead charges are based on a marginal cost concept.

14. Debt Service. Many start-up costs are assumed within annual charges.

- A. **Building.** The provision of a city police station is included at an estimated cost of \$121 per square foot to be amortized over 20 years at 6% interest. The annual principal and interest charges are shown as ongoing expenses.
- B. **Vehicles.** The city is assumed to replace vehicles at the current schedule. The current KCSD replacement fee of \$342 per month, plus an additional \$61 per month for interest now absorbed by the county is used. This amounts to \$4,836 per year per vehicle.
- C. **Radios and Auxiliary Equipment.** The county presently provides about \$7,500 worth of radio and other equipment (excluding computers) for each new police car. These costs are not included in the county rental rate. Under stand-alone operation, these costs would be incurred at the rate of \$1,364 per vehicle per year as the vehicles are replaced every 5.5 years.

- D. **Computers.** It is assumed that each stand-alone police department would equip each car/officer with a laptop or MDT to continue the existing level of service. Whether the existing units were purchased by the county, by the city under a grant, or by the city with local funds, these units will need to be replaced periodically. It is assumed that a \$3,500 unit will have a useful life of 5 years or less (probably less considering the pace of technological change). Hence, a charge of \$700 per year per officer or vehicle is used.

Exhibit 1
Start Up Costs
Standalone Police Department
Shoreline

Standalone Policing Cost Estimate -- SHORELINE -- Revised 01/20/99

Item	Quantity	Unit Price	Amount	Description
STAFFING				
Chief	1	105,137	105,137	Based on existing levels, same base pay and fringe benefits
Deputy Chief - Patrol Cap	1	92,674	92,674	Precinct Major
Patrol Sergeants	6	72,573	435,438	
Motorcycle Patrol	2	61,396	122,792	
Patrol Officers - Reac	22	61,396	1,350,712	
Patrol Officers - ProAc	2	61,396	122,792	
Detective Sergeant	1	72,573	72,573	
Detectives	3	61,396	184,188	
Community Serv. Off	2	52,231	104,462	
Evidence & Sup Clerk	1	45,561	45,561	
Office Tech III	1	50,321	50,321	
Community Policing Specialist	2	61,396	122,792	
Subtotal - Staffing	44		2,809,442	
SUPPORT SERVICE				
Air Support				Based on current levels and cost of service
Bomb Disposal			5,937	Based on 10.59% of total costs of \$519,692=\$55,035
Cantine			60,787	Based on 3.85% of total costs of \$149,901=\$5,771
Communications 911			531,835	Based on 6.24% of costs of \$971,125=\$60,598; deducts K.C. overhead*
Drug Enforcement				Based on unit cost of \$37.50/call x14,120=\$529,500
Fraud, Org. Crime			88,245	Based on 1.51% of total costs of \$838,996=\$12,669
Gambling				Based on 13.42% of total costs of \$838,996=\$112,593; *
General Traffic				Based on 9.22% of total costs of \$230,7322=\$21,273
Hostage Negotiation			238	Based on 4.08% of total costs of \$5,960=\$95, Min \$243
Major Crimes Detect			229,358	Based on 8.04% of total costs of \$3,368,458=\$270,824*
MARR Units				Based on 9.70% of total costs of \$408,536=\$39,628
Motorcycle				
Tactical Unit			4,094	Based on 1.49% of total costs of \$282,305=\$4,206
Other				
Other				
Subtotal - Support			920,494	
OTHER OPER. COST				
Overtime			213,807	2xfirst 6 months of 1998 actual experience+0.1292 FICA, etc
Special Pays			228,329	2xfirst 6 months of 1998 actual experience+0.1292 FICA, etc
Clothing Allowance	6	1,809	10,854	
Quartermaster	42	413	17,346	
LEOFFI Med Pymt	4	2,000	8,000	Assume 10% of work force eligible, hired prior to 1977
Insurance	44	1,726	75,944	Insurance pool figure
Building Maint.	0	3	0	Already assumed in separate account
800 MHz	44	1,393	61,292	
Telephone	0	427	0	Already assumed in separate account
Supplies	44	1,034	45,496	Based on KCSO patrol officer rate
Printing				Included in services, below
Services	44	421	18,524	Based on KCSO patrol officer rate
Vehicle Maint.	42	4,068	170,856	Based on KCSO fleet costs; excluding replacement
Computer Maint	1	8,500	8,500	Estimated annual maint. on new pol. records and crime analysis sys
Other				
Subtotal - Other Oper			858,948	
OVERHEAD				
Finance staff	0.5	45,576	22,788	
Personnel Staff	0.5	55,116	27,558	
Fleet Management	1	45,576	45,576	
Legal Assistant	0.5	78,167	39,084	
Information Systems	1	57,540	57,540	
Purchasing			0	
Subtotal - Overhead			192,546	

Exhibit 1
Start Up Costs
Standalone Police Department
Shoreline

DEBT SERVICE/DEP			
Police Station, no land		0	Police Bldg. owned by city
Vehicles	42	4,836	203,112 \$342/mo. replacement+\$61/mo. interest
Computers	42	700	29,400
Radios & Aux. Equip.	42	1,364	57,288 \$7,500 per veh. radios, aux equip. in vehicles now paid by KCSO
Outfitting Officers	42	1,180	49,560 Initial uniform (\$2500) weapons (\$800) radio (\$2500) spread over 5 yrs
Subtotal - Debt Service			339,360
Total Costs			5,120,790
Current Contract Cost		5,181,972	43.31 FTE direct staff+9.74 support serv. plus/less adjust. = 53.20 FTE Net Current Contract Total for this FY includes Federal Way Credit

Note: On first page of this Exhibit, King Co overhead is deducted for canine, fraud and organized crime and major crimes- detective since as a "standalone" Shoreline would operate these programs themselves. This deduction totals \$63,675. (canine \$7,470; fraud/org crime \$16,209; major crimes/det \$39,996)

Exhibit 2
Start Up Costs
Standalone Police Department
Shoreline

Standalone Policing Cost Estimate -- SHORELINE -- Revised 01/15/99

Item	Units	Unit Price	Cost	Notes
POLICE STATION				
Building	0	0	0	
Land				
Furnishings			0	
Info. Sys			38,000	
Sub-total			38,000	
VEHICLE				
Police Cars	42	30,154	1,266,468	All new cars
Sub-total			1,266,468	
RECRUITMENT, TESTING & TRAINING				
Testing	29	1,000	29,000	Assume 67% are not transferred from KCSD
Labor Relations Reserve			50,000	
Academy	14	18,900	264,600	Assume 33% are not presently certified; sal of trainee
Field Train	14	15,349	214,886	Sal. of recruit in field training; sal of FTO not included
Sub-total			558,486	
OUTFITTING OF POLICE PERSONNEL				
Uniforms	43	2,500	107,500	
Weapons	43	800	34,400	
Computer	43	3,500	150,500	
Port. Radio	43	2,600	111,800	
Sub-total			404,200	
OUTFITTING NEW CITY SUPPORT PERSONNEL				
Admin Pos	2	4,000	8,000	Desk & Computer
Finance	0	4,000	0	
Info. Spec.	0	4,000	0	
Purchasing			0	
Fleet Mgmt	0	4,000	0	
Sub-total			8,000	
TOTALS			2,275,154	