



City of Costa Mesa

Agenda Report

77 Fair Drive
Costa Mesa, CA 92626

File #: 22-705

Meeting Date: 5/17/2022

TITLE:

TERMINATION OF JAIL SERVICES CONTRACT BETWEEN ALLIED UNIVERSAL AND THE CITY OF COSTA MESA

DEPARTMENT: Police Department

PRESENTED BY: Joyce LaPointe, Captain

CONTACT INFORMATION: Joyce LaPointe, Captain, 714-754-5663

RECOMMENDATION:

Staff recommends the City Council:

1. Terminate the Professional Services Agreement for jail services between Allied Universal, assignor of G4S Secure Solutions (USA) Inc. and the City of Costa Mesa.
2. Authorize the City Manager or her designee to negotiate an agreement with the City of Huntington Beach for temporary jail services and/or to hire temporary staffing to operate the Costa Mesa Jail.

BACKGROUND:

In June 2013, the City of Costa Mesa began contracting for jail services with G4S Secure Solutions (USA) Inc. ("G4S") at a cost not-to-exceed the total amount of \$743,329.60 per year. The contract was for a three-year term, with the option to extend the term of the contract for two additional one-year periods. The City and G4S exercised the extension options, extending the term through June 25, 2018. The cost for the two additional years was not-to-exceed the total amount of \$748,329.60 per year.

In November 2017, the City released a Request for Proposal (RFP No. 18-06) for jail services in anticipation of the current G4S contract expiring on June 25, 2018. The City received one response to the RFP, which was from G4S. The proposal was for jail services at a cost not-to-exceed: Year 1 - \$851,260.80; Year 2 - \$887,490.24; and Year 3 - \$924,098.24. The proposed contract with G4S contained two optional one-year extension options, the first of which was exercised in June 2021, with an expiration date of June 30, 2022. The Agreement provides that the City may terminate the Agreement at any time, effective upon delivery of the notice of termination.

As outlined below, due to the resignation of the majority of jail services personnel, Allied Universal is unable to meet Costa Mesa's needs pursuant to the contract, staff is recommending that the contract with Allied Universal as assignee of G4S be terminated effective May 18, 2022 at 11:59 p.m., and the City Manager or her designee be authorized to negotiate for temporary jail services with the City of

Huntington Beach and/or to retain temporary staffing to operate the jail pending Council action on a permanent alternative for the City's jail services.

ANALYSIS:

Police Department Staff was recently informed that a mass resignation of employees of Allied Universal who work in the Costa Mesa jail has occurred, unrelated to any action by the City. As of May 19, there will only be 2 properly trained and experienced jailers available from Allied Universal to staff the Costa Mesa jail, which is insufficient to maintain the jail operations. Hiring, doing background checks and training for new personnel is a minimum three-month process, and cannot be accomplished by the time the available staffing is reduced to two persons. There are no other private companies who provide this service. Staff met with Allied Universal managers on May 12, 2022 but no viable alternative plan for staffing the City's jail were provided by the contractor.

While the services of Allied Universal's personnel have been good, these experienced personnel are resigning from Allied Universal, leaving the City no legal options but to close the City's jail temporarily while staffing options are fully evaluated. In the meantime, staff seeks Council authority to negotiate a Memorandum of Understanding with the City of Huntington Beach to provide temporary jail services to Costa Mesa. This will reduce by several hours the time needed for a sworn officer to be out of the field during transport and booking of an arrestee directly to the Orange County Jail. In addition, staff seeks Council authority to explore the possibility of temporary staffing of the Costa Mesa jail with properly trained and experienced personnel while long term options are assessed.

ALTERNATIVES:

No other alternatives have been considered.

FISCAL REVIEW:

The City's cost for jail services is budgeted annually based upon the approved and active contract for jail services. The costs for jail services through G4S Secure Solutions (USA) Inc./Allied Universal for the current fiscal year are \$924,098.24. The early termination of the contract would reduce the contract costs by approximately \$77,000.

The costs of contracting with City of Huntington Beach for temporary jail services and/or hiring temporary employees to staff the jail is unknown at this time, but should be absorbable in the Police Department's current budget and the expected 2022-23 FY budget until such time as City Council is presented with and selects a permanent option for staffing the Costa Mesa City Jail.

LEGAL REVIEW:

The City Attorney's Office has reviewed this report and approved it as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item supports the City Council Goal:

- Strengthen the public's safety and improve the quality of life.

CONCLUSION:

The current contract with Allied Universal, successor to G4S expires June 30, 2022. However, the contractor cannot provide sufficient trained and qualified personnel to operate the City's jail after May 18, 2022. Therefore, the Agreement with Allied Universal should be terminated, and the City Manager authorized to explore other options for jail services, including contracting with Huntington Beach or using temporary staffing, while staff evaluates permanent options and returns to the City Council for action.

Staff recommends that the City Council terminate the Professional Services Agreement with Allied Universal, successor to G4S, for jail services and authorize the City Manager to contract with City of Huntington Beach and/or utilize temporary staffing to maintain jail operations pending selection of a permanent solution to staffing.