



# City of Chula Vista

## Staff Report

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**File#:** 16-0422, **Item#:** 6.

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RESOLUTION NO. 2016-182 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA WAIVING THE COMPETITIVE FORMAL BID REQUIREMENT, APPROVING THE CONSULTANT SERVICES AGREEMENT WITH KEEFE COMMISSARY NETWORK TO PROVIDE COMMISSARY RELATED SERVICES AND PRODUCTS TO THE INMATES OF THE CHULA VISTA POLICE DEPARTMENT CITY JAIL AND AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO EXECUTE SAME

### **RECOMMENDED ACTION**

Council adopt the resolution.

### **SUMMARY**

Pursuant to Chula Vista Municipal Code 2.56.070 relating to contracts exceeding \$100,000, the Police Department is requesting to waive the competitive formal bid requirement and authorize to purchase commissary products from Keefe Commissary Network, L.L.C., to facilitate the ordering and delivery of commissary supplies by inmates of the Chula Vista Police Department City Jail.

### **ENVIRONMENTAL REVIEW**

#### **Environmental Notice**

The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

#### **Environmental Determination**

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

### **BOARD/COMMISSION RECOMMENDATION**

Not Applicable.

### **DISCUSSION**

The Chula Vista Police Department City Jail operates a commissary service for inmates of the facility. The commissary service allows inmates to order and purchase a variety of commissary items, which are later delivered to them in the jail facility. Example items include, but are not limited to: Snack foods, hygiene products, stationary products, games and more.

Prior to 2011 commissary services were managed directly by City staff, who purchased, transported,

maintained and delivered an inventory of commissary products. In October of 2011 the Police Department entered into an agreement with Keefe Commissary Network, L.L.C. (KEEFE) for commissary services. The agreement facilitated a more efficient method of commissary ordering and management, and facilitated the payment thereof.

Inmates of the jail facility may purchase commissary items using personal funds that are deposited on their behalf by third parties, such as friends or family. Those funds are maintained for each inmate by City staff. City staff processes commissary orders and places an order with KEEFE, who ships the orders directly to the Police Department. City staff, in turn, deducts the inmate's personal fund for the cost of the order. This has reduced City staff time needed to manage commissary services by reducing the need to purchase products from a variety of vendors, transport products to the Police Department, and maintain and manage an inventory of products. A subsequent Letter of Understanding with KEEFE further reduced staff time by allowing for electronic deposits of inmate funds using additional KEEFE services.

The cost of commissary items is paid entirely by the inmates. No general fund revenue is used for commissary expenditures. Nonetheless the funds for commissary orders are managed and processed by City staff, and are therefore subject to the City's purchasing policies.

The original agreement with KEEFE was for a one-year term, and automatically renewed for successive one year terms thereafter. Over the entire term of the contract City expenditures have averaged approximately \$25,000 per year. At this rate the Police Department exceeded the \$100,000 threshold per the City's purchasing policies.

City staff has previously researched other jail commissary providers and was unable to locate other vendors that would work with a facility of our small size and could meet the City of Chula Vista's commissary requirements. Additionally, over the life of the 2011 agreement, Police Department policies, procedures, and administrative systems that facilitate commissary services, including but not limited to electronic depositing systems, maintenance and reconciliation of Inmate Accounts, menu selections, and ordering and receiving systems, have become intertwined with KEEFE's commissary products. The performance capabilities and compatibility with existing Police Department infrastructure is unique to the services offered by KEEFE.

### **DECISION-MAKER CONFLICT**

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the 500-foot rule found in California Code of Regulations Title 2, section 18702.2(a)(11), is not applicable to this decision for purposes of determining a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

### **LINK TO STRATEGIC GOALS**

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. The agreement with KEEFE supports the goals of Operational Excellence and Economic Vitality by providing commissary

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services to the inmate population of the jail while minimizing impact on City's limited staffing resources.

**CURRENT YEAR FISCAL IMPACT**

Approval of this resolution will allow the Police Department to continue its commissary agreement with KEEFE. Since the entirety of these costs are paid by jail inmates, there is no anticipated fiscal impact to the General Fund.

**ONGOING FISCAL IMPACT**

There is no ongoing fiscal impact.

**ATTACHMENTS**

Keefe Commissary Network Agreement.

*Staff Contact: Phil Collum, Police Lieutenant, Jail Manager*