

ITEM NO. 8

STAFF REPORT



CITY OF OCEANSIDE

DATE: September 1, 2021

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department

SUBJECT: **AMENDMENT 1 TO PROFESSIONAL SERVICES AGREEMENT WITH MCALISTER INSTITUTE, INC. FOR THE SOBERING SERVICES CENTER**

SYNOPSIS

Staff recommends that the City Council approve Amendment 1 to the Professional Services Agreement (PSA) with McAlister Institute in an amount not to exceed \$770,424 for the Sobering Services Center; and authorize the City Manager or her designee to execute the amendment.

BACKGROUND

The City of Oceanside has taken many strides in developing and implementing programs designed to assist Oceanside residents experiencing homelessness in securing temporary and permanent housing. Both the Oceanside Police and Neighborhood Services Departments have taken the lead in recent outreach efforts to place persons experiencing homelessness in shelters or permanent housing. Recent outreach and placement efforts have identified a barrier to securing both temporary and permanent housing for inebriated individuals.

Inebriated individuals often pose health and safety problems to themselves and the public, particularly in temporary shelters with a high number of individuals and families living in closer proximity and having limited beds and space. In addition, shelters are not equipped to assist individuals that need specific sobering services, some of which may require medical supervision. Therefore, it is typical for a shelter to deny housing (shelter) services and provide referrals to outside resources to address prior to sheltering.

In the spring of 2019, Oceanside's Measure X Citizens Oversight Committee (COC) made a recommendation to the City Council for the development of a Sobering Services Center to assist indigent and inebriated persons experiencing homeless in overcoming the barrier of sobriety when presenting for potential temporary or permanent housing placement and supportive services. The Police Department's Homeless Outreach Team (HOT) observed that many of the individuals they encountered experiencing homelessness were inebriated. Therefore, it can be difficult to assist with services and finding permanent housing placements. The Sobering Services Center opened its doors on December 21, 2020, to address this need.

ANALYSIS

Sobering facilities provide an alternative place to jails, emergency departments or homeless shelters where intoxicated people (frequently homeless) are observed for safe sobering. They serve as an alternative to hospital-based and police-based holding policies and benefit the welfare of the homeless.

The benefits of these facilities include:

- Providing a safe place for recovery from alcohol intoxication
- Emergency care for intoxicated people who are also experiencing homelessness
- Alternative to booking/jail reducing citations for individuals
- Allow Social Services to more efficiently intervene with chronic inebriates
- Return law enforcement officers more quickly to patrol duties
- Reduced costs of public safety and emergency services:
 - Decrease in ambulance visits
 - Reduce ER visits
 - Lower officer overtime costs
 - Generate savings from a decrease in City/County Jail bookings, stays

Given the benefits of this type of facility, on June 17, 2020, the City Council approved a Professional Services Agreement (PSA) with McAlister Institute of San Diego County (McAlister) for the operation of the Sobering Services Center (the "Center") effective July 1, 2020, through June 30, 2021, to be located at 1919 Apple Street in Oceanside, with the option for two one-year extensions. Under the PSA, McAlister was provided a two-month startup phase for the necessary tenant improvements and 10 months to begin implementation. Entitlement, including approval of a conditional use permit, renovations to the building, and upgrades to the electrical of the property, unfortunately, took longer than expected with the City's Development Services Department (Building and Planning Divisions) and utility companies working under limited availability due to COVID-19. The Center opened December 21, 2020, approximately six months after the agreement with McAlister became effective. Out of the allocated budget of \$665,424 (a combination of Measure X funds and County HHS Grant funds), McAlister has spent \$495,623. Staff has requested to carry forward \$105,000 of the balance, with the remaining amount to go back to the Measure X fund balance.

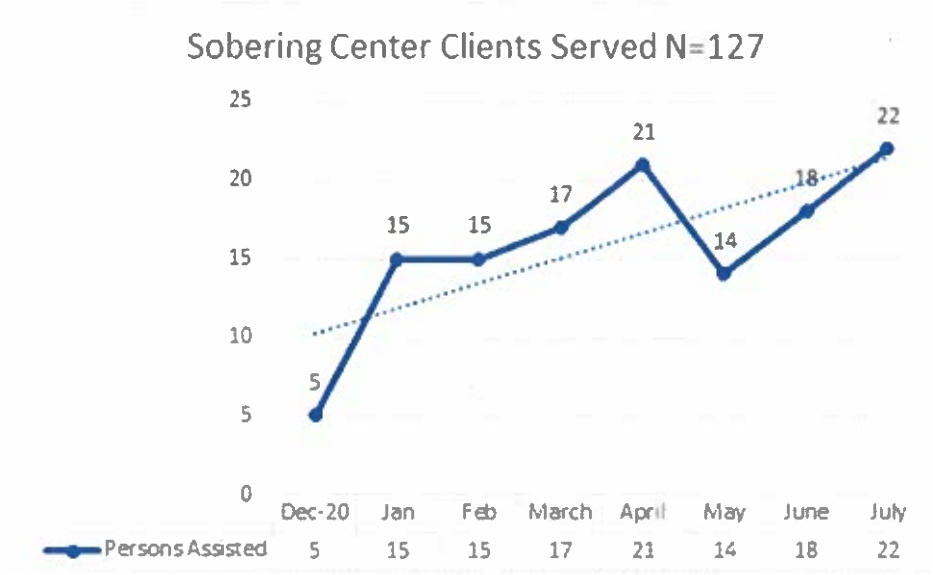
The Center has now been in operation for eight months and has assisted the Oceanside Police Department (OPD) in efficiently addressing inebriated persons encountered in Oceanside. Offering 25 beds, the Center provides a safe place for sobering up prior to check out. Some of the current shelters available to persons experiencing homelessness require that an individual be sober for a minimum of 24 hours before intake and admission. The Center will provide inebriated persons experiencing homelessness with up to 24 hours of sobriety to assist in obtaining a shelter bed and any other services offered. The Sobering Center will continue to work with OPD as the exclusive referral mechanism to provide services to only Oceanside residents.

Inebriated individuals taken to the Center stay for 6-8 hours before being allowed to leave on their own, during which time the individual is assigned a bed/mattress, regularly

observed and monitored for safety and comfort. The Center is not a licensed treatment provider, but Center staff engage its clients, encourage continued sobriety, and refer clients to treatment alternatives, other appropriate referrals as needed, and community resources. Staff ensures that individuals released do not loiter in or around the business park.

To date, the Center has served 127 clients within the last seven months and is starting to see slight increases in persons served. The Center has seen an average of 17 persons per month. Eighteen clients were linked to other resources, and 19 were referred to a long-term shelter. McAlister continues to work with Housing staff and OPD for all referrals and has assisted in providing additional alcohol, tobacco, and other drug prevention or sobering services when possible.

Table 1: Sobering Center Clients Served



Other than public intoxication that leads to an inability to care for themselves, these individuals do not pose any other threat to themselves or others. With a local resource, such as the Sobering Center, OPD officers can return to patrol more quickly and attend to other emergency calls. Without such a facility, these individuals would be taken to Vista Detention Facility, for PC 647f- Drunk in Public, where individuals usually remain for an 8 to 10-hour process depending on the extent of intoxication, or enter the health care system, utilizing local emergency rooms and ambulance services.

At this time Staff is recommending Amendment 1 to continue operating the sobering center for the current fiscal year with an expanded scope of services, and to increase the year 2 budget. The budget for the Center for FY 2021-22 is \$770,424, with 67 percent of the budget for personnel costs (see Attachment 2). Based on the operation of 25 beds, costs of operations equate to approximately \$86.00 per bed a night. The budget increase associated with the amendment is \$105,000 annually (16%). The budget increase will allow McAlister, as the program administrator, to increase staffing to provide other drug-sobering services while maintaining the same parameters that participants must not be a

danger to themselves or others. All participants, whether influenced by alcohol or drugs, are required to stay in the program for a minimum of 6 hours. Finally, the budget has an increased allocation in training budget to be better equipped to handle intoxicated clients.

FISCAL IMPACT

The total cost of Amendment 1 is \$770,424. \$604,424 will be charged to the Contract Sobering Services Account 150954103.5395 and \$166,000 to the HHSA grant account 836167120272.5395. These accounts have current available balances of \$999,424 and \$166,000, respectively.

Description	Uses	Sources
PSA Amendment McAlister Institute Sobering Center	\$ 770,424	
FY 2021-22 Measure X Budget		\$ 500,000
FY 2021-22 HHSA Grant		\$ 166,000
FY 2020-21 Measure X Budget Carry Forward		\$ 105,000
TOTAL	\$ 770,424	\$ 771,000

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

COMMISSION OR COMMITTEE REPORT

On March 11, 2021, the Measure X COC unanimously approved (6-0, Kern Absent) the FY 2021-22 Spending Plan, which included a \$500,000 allocation to the Sobering Services Center.

CITY ATTORNEY'S ANALYSIS

The amendment has been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council approve Amendment 1 to the Professional Services Agreement (PSA) with McAlister Institute in an amount not to exceed \$770,424 for the Sobering Services Center; and authorize the City Manager to execute the amendment.

PREPARED BY:



Salvador Roman
Management Analyst

SUBMITTED BY:



Deanna Lorson
City Manager

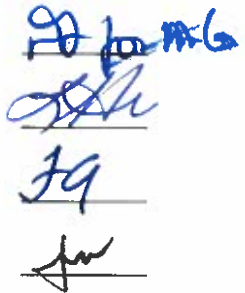
REVIEWED BY:

Michael Gossman, Assistant City Manager

Leilani Hines, Neighborhood Services Director

Fred Armijo, Police Chief

Jane M. McPherson, Financial Services Director



Attachments:

1. Amendment 1 – Sobering Services Center (McAlister Institute Inc)
2. FY 2021-22 Budget

August 10, 2021

Salvador Roman
Management Analyst
City of Oceanside, Neighborhood Services Department
300 North Coast Highway
Oceanside, CA 92054

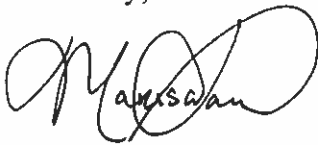
Dear Mr. Roman:

Enclosed, please find an original copy of Amendment 1 to the Professional Services Agreement for the Oceanside Sobering Services Center signed and notarized by McAlister Institute for Treatment & Education, Inc.

Should you have any questions or require additional information, I may be reached at Marisa.Varond@McAlisterInc.org or (619) 933-6608.

Thank you for the opportunity to continue growing our partnership with the City of Oceanside.

Sincerely,



Marisa Varond
Executive Director

MV:mv

Enclosures

**CITY OF OCEANSIDE
AMENDMENT 1 TO
PROFESSIONAL SERVICES AGREEMENT**

PROJECT: OCEANSIDE SOBERING SERVICES CENTER

THIS AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (hereinafter "Amendment"), dated August 18, 2020 for identification purposes, is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and McAlister Institute, hereinafter designated as "CONSULTANT."

RECITALS

WHEREAS, CITY and CONSULTANT are the parties to that certain Professional Services Agreement dated July 1, 2020, hereinafter referred to as the "Agreement", wherein CONSULTANT agreed to provide certain services effective to the CITY as set forth therein;

WHEREAS, the City requires continued services for McAlister to reduce the number of publicly inebriated persons experiencing homeless and publicly intoxicated individuals in the City of Oceanside, by providing a 25-cot Sobering Services Center for those referred by Oceanside Police Department (OPD), Homeless Outreach Team (HOT) and/or Oceanside Housing Authority (OHA); and

WHEREAS, the parties desire to amend the Agreement to extend the term of the Agreement through June 30, 2022 and to adjust the CONSULTANT'S compensation accordingly.

AMENDMENT

NOW, THEREFORE, the parties hereto do mutually agree that the Agreement shall be amended as follows:

1. Section 7. COMPENSATION, is hereby amended to provide that the total compensation for all work performed in accordance with this amendment shall not exceed \$770,424 for a total agreement price not to exceed \$1,435,848.
2. Section 8. TIMING REQUIREMENTS, is hereby amended to all work shall be completed in every detail to the satisfaction of the CITY by June 30, 2022.

SIGNATURES. The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Amendment on behalf of the respective legal entities of the CONSULTANT and the CITY.

IN WITNESS WHEREOF, the parties hereto being duly authorized on behalf of their respective entities to execute this Amendment, do hereby agree to the covenants contained in the Agreement, including this Amendment, and have caused this Amendment to be executed by setting hereunto their signatures on the dates set forth below.

McALISTER INSTITUTE, INC.

By: *Jeanne McAlister*
Jeanne McAlister
Chief Executive Officer

Date: 8-10-21

By: _____

Date: _____

95-3140767
Employer ID No./DUNS No.

CITY OF OCEANSIDE

By: _____
Deanna Lorson
City Manager

Date: _____

APPROVED AS TO FORM:

Robert Samuelson, Esq.
City Attorney

NOTARY ACKNOWLEDGMENTS OF CONSULTANT MUST BE ATTACHED.

A notary public or other Officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness, accuracy, or validity of that document.

STATE OF California)SS
COUNTY OF San Diego)

On 09/10/2021, before me, B. Faulk,
Notary Public, personally appeared Jeanne McAlistar

_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

B. Faulk



This area for official notarial seal

SOBERING CENTER
 FY 2022 Budget
 Operated by McAlister Institute



Duties		No. of Employees (FTE)	Amount (\$)	
Personnel Costs				
Program Manager	Program oversight and responds to after hour calls for service at Motel Program.	0.5	\$ 36,400	
Counselor	Supportive services and care coordination to clients served in Motel Voucher Program. @ \$19Hr	4	\$ 158,080	
Service Navigator	Works on-site and ensures residential care such as basic needs, laundry, hygiene, needs are met. Also does room inspections to ensure client is compliant with program rules. @ \$19/hour for 7 days a week	2	\$ 79,040	
Night Monitor	Works on-site and ensures residential care such as basic needs, laundry, hygiene, needs are met. Also does room inspections to ensure client is compliant with program rules.	3	\$ 118,560	
Maintenance			\$ 2,600	
Benefits	Calculated at ~31.74%		\$ 125,271	
	Subtotal	9.5	\$ 519,951	67%
Operating Costs				
* Interest			\$ 560	
* Leasehold/Facility Improvement			\$ -	
Building Rent & Leases			\$ 56,429	
Building Repair & Maintenance			\$ 5,992	
Equipment Rent & Leases			\$ 6,205	
Equipment Repairs & Maintenance			\$ 8,414	
Telecommunications			\$ 10,296	
Utilities			\$ 13,785	
Minor Equipment (\$500<\$5,000)			\$ 3,545	
Office Supplies			\$ 4,114	
Other supplies			\$ 1,774	
Printing			\$ 5,681	
Client Transportation			\$ 60	
Travel			\$ 3,147	
Acct/Auditing/Legal Fees/Tax/License			\$ 7,839	
Insurance			\$ 2,163	
Staff Developmt/Training/Education			\$ 9,500	
Other Business Services			\$ 1,712	
Interperter Services			\$ 100	
Other: Food			\$ 40	
	Subtotal		\$ 141,357	18%
Administration @16.5%			\$ 109,116	
TOTAL COSTS			\$ 770,424	
	<i>Costs per Month</i>		\$ 64,202	
	<i>Costs per month/bed</i>		\$ 2,568	
	<i>Costs per day/bed</i>		\$ 86	