

City of Kelowna
Memorandum
Human Resources Department

May 12, 2005

To: Ron Born, City Manager

From: Rick Baker, Director of Human Resources

Subject: Jail Services Contract

Recommendation: That the City of Kelowna renew the contract with the BC Corps of Commissionaires to provide Jail Guard Services for a three year period at a cost, excluding GST, of \$1, 457,140 *(based upon estimated actual hours of service)*.

Background:

The City of Kelowna operates a municipal jail facility for the Royal Canadian Mounted Police in the Police Services Building.

The BC Corps of Commissionaires currently provide staff for jail guard services under contract with the City of Kelowna.

On February 16, 2005, the City of Kelowna issued a Request for Proposal (RFP) for the Management /Operation of Jail Guard Services. The RFP closed March 8, 2005. One proposal was received from the BC Corps of Commissionaires and meets all of the RFP requirements.

The proposal reflects hourly rates to be applied to actual hours of service required by the City plus an annual base management fee.

The City's 2005 operating budget funds 24,000 hours for guards and matrons to provide jail guard services. Extra shifts required to meet RCMP guard to prisoner ratios are to be billed at the applicable hourly rate.

Total costs for the three year contract including management fees, regular shifting and extra shifting are:

Year One	Year Two	Year Three
\$16.65 per hour for actual service hours	\$16.98 per hour for actual service hours	\$17.32 per hour for actual service hours
(projecting 24,800 service hours required based upon past experience: actual service hours may vary)	(projecting 28,000 service hours required based upon past experience: actual service hours may vary)	(projecting 31,000 service hours required based upon past experience: actual service hours may vary)
\$10,380 Annual Management Fee	\$10,620 Annual Management Fee	\$10,860 Annual Management Fee
\$423,300	\$486,060	\$547,780
Total 3 Year Contract Cost \$1,457,140		

The Corps' proposal includes an annual 2.2 % increase in wages over the duration of the three year contract and a \$240 yearly increase in the management fee.

Over the three year contract term, the cost savings to the City of Kelowna over relative “in house” costs is estimated at \$391,950.

As is currently the case, we will continue to recover approximately 60 % of our costs from the Province and through charges to Lake Country for services provided.

Funds are available in the 2005 Provisional Budget.

Thank you

Rick Baker
Director of Human Resources

c.c. Paul Macklem – Finance
Ron Reiter - Purchasing