Date: February 10, 2022

To: Thomas B. Modica, City Manager

For: Mayor and Members of the City Council

Subject: Contracting Out Services

On March 16, 2021, the City Council requested the City Manager to connect with area cities to explore potential interest and opportunities for the City of Long Beach (City) to contract out services to other local governments. The City Manager scheduled a virtual meeting in July 2021 and invited City Managers from seven surrounding cities including Lakewood, Signal Hill, Bellflower, Paramount, Hawaiian Gardens and Compton to discuss contracting with the City for services in their respective communities and conduct a high level brainstorming session on areas of service that they might have an interest in contracting out.

To stimulate the discussion, the City Manager suggested a list of potential service areas that the City was interested in exploring to provide, including: COVID recovery, Health Department services, street light maintenance, refuse services, Clean Team support, fire services, animal care, police service, workforce development, utilities and infrastructure maintenance, among others. Six city representatives, mostly City Managers, participated in the virtual meeting and there was a lively discussion on several topics related to contracting services as well as discussion of opportunities for our cities to work collaboratively to address interjurisdictional issues such as clean-up on railroad rights-of-way and strategies to address clean-up of homeless encampments along freeways with funding dedicated by Caltrans.

Since this meeting, two cities have contacted the City Manager to express interest in exploring contracting out options, including Bellflower, whose interest is in animal care services, and the City of Cerritos, who expressed interest in a variety of infrastructure maintenance services such as street light maintenance, video sewer inspections, and large vehicle engine maintenance. Discussions with both cities are ongoing and will be reported to the City Council for action if a scope of work is agreed to that results in a revenue-beneficial agreement for any City service.

As a result of this initiative requested by the City Council, staff now has a high-level understanding of potential interest from other cities that the City could potentially explore contracting in. City staff continues to be open to exploring other services that may be cost effectively contracted out if there is demonstrated interest from another city. If you have questions regarding this matter, please contact Linda F. Tatum, Assistant City Manager, at (562) 570-6916 or linda.tatum@longbeach.gov.

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