



TOWN OF APPLE VALLEY TOWN COUNCIL STAFF REPORT

To: Honorable Mayor and Town Council **Date:** November 18, 2012
From: Gina Schwin-Whiteside **Item No:** 11
Animal Services Manager
Animal Services
Subject: AMENDMENT TO THE AGREEMENT TO PROVIDE ANIMAL SHELTERING SERVICES FOR THE COUNTY OF SAN BERNARDINO

T.M. Approval: _____ **Budgeted Item:** Yes No N/A

RECOMMENDED ACTION:

1. Direct staff to finalize the details of the Amendment to the Agreement to provide Animal Sheltering Services for the County of San Bernardino.
2. Authorize staff to execute the finalized Agreement to provide Animal Sheltering Services for the County of San Bernardino, subject to "Approval as to Form" by the Town Attorney and "Approval as to Content" by the Town Manager.

SUMMARY:

On November 13, 2012, the Apple Valley Town Council approved an Agreement for Animal Services to provide Animal Sheltering Services for the County of San Bernardino (County). The ten (10) year contract included a provision for the Town of Apple Valley (Town) and County to review Capital Improvement needs prior to the second anniversary of the Agreement.

Consistent with Town Council direction, staff monitored the new service agreement to ensure that it did not impact the quality of animal sheltering services provided to Town residents. During the first year of providing services to the County, the department experienced increased workloads in several areas including: Visitors to the shelter (156%); Customer calls to the facility (81%); and, Vaccinations administered to shelter animals (105%).

As a result of the workload impacts, additional staffing was hired and costs to operate the facility have increased. The Town notified the County that the proportionate cost share to provide services to the County is 37% of the operational expenses of the shelter. In Fiscal Year 2013/2014, the total cost for sheltering services was \$305,334.04. Using the proportionate cost share of 37%, the cost for sheltering services will increase effective January 1, 2015, to the annual contract amount of \$463,477.00. This agreement is a fee-for-sheltering services and requires the County to pay a guaranteed agreement amount, as defined in the "Fees for Sheltering Services." This proposal includes an annual increase based on the Consumer Price Index for each corresponding year and review of Capital Improvement needs by both agencies.

BACKGROUND:

During the planning stages of the Town's Municipal Shelter, the Town Council directed staff to construct a facility that would meet animal sheltering needs for the next twenty (20) years. The potential for the Town to provide contracted sheltering services for requesting agencies was discussed in the early planning meetings. Town Council endorsed providing sheltering service agreements, if the agreements would generate revenues to enhance services the Town would be providing.

FISCAL REVIEW

A revenue projection for the remaining six (6) months of Fiscal Year 2014/2015 of \$231,738.00 is anticipated from payments on this Agreement. With the adoption of this contract amendment, the annual sheltering contract with the County will increase to \$463,477.00. This amount will increase annually by a 3% COLA. The current contract amount is \$297,750.00. The net increase from this Agreement ensures that the County is paying their proportionate share for operation and maintenance to provide sheltering services to the residents of the unincorporated region of San Bernardino County. Expenditures include but are not limited to, staffing, food supplies, drugs and vaccinations, spay/neuter services, utilities, grounds maintenance, and building maintenance.

LEGAL REVIEW

The Town Attorney's office reviewed the original Agreement signed for Fiscal Year 2012/2013. The amendment attached to this report reflects all proposed changes, which include the new Agreement amount found in "*Section VI. Fiscal Provisions; Paragraph B*", minor revisions to "*Paragraph D*", and an updated "*Agreed Upon Fees – Attachment A.*" All other terms and conditions will remain in full force and effect.

The final Agreement will be approved as to content by the Town Manager before executed.



County of San Bernardino

F A S

STANDARD CONTRACT

FOR COUNTY USE ONLY

<input type="checkbox"/> New	FAS Vendor Code		SC	Dept. PHL	Contract Number	
<input checked="" type="checkbox"/> Change	TOWNOFA303			A	12-864 A1	
<input type="checkbox"/> Cancel						
ePro Vendor Number				ePro Contract Number		
N/A				N/A		
County Department			Dept.	Orgn.	Contractor's License No.	
Department of Public Health			PHL	PHL		
County Department Contract Representative				Telephone		Total Contract Amount
Brian Cronin, Division Chief				(909)387-9152		Est. \$4,986,130
<input type="checkbox"/> Revenue <input type="checkbox"/> Encumbered <input checked="" type="checkbox"/> Unencumbered <input type="checkbox"/> Other:				Contract Type		
If not encumbered or revenue contract type, provide reason:						
Commodity Code		Contract Start Date	Contract End Date	Original Amount	Amendment Amount	
		01/01/2013	06/30/2023	Est. \$3,557,253	Est. \$1,428,877	
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No	Amount
AAA	PHL	2605	200	2445		Est \$ 1,428,877
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount
						\$
Fund	Dept.	Organization	Appr.	Obj/Rev Source	GRC/PROJ/JOB No.	Amount
						\$
Project Name				Estimated Payment Total by Fiscal Year		
Animal Sheltering Services				FY	Amount	I/D
				14/15	\$80,366	I
				15/16	\$151,649	I
				16/17	\$156,198	I
				17/18	\$160,884	I
				18/19	\$165,711	I
				19/20	\$170,682	I
				20/21	\$175,802	I
				21/22	\$181,076	I
				22/23	\$186,509	I

THIS CONTRACT is entered into in the State of California by and between the County of San Bernardino, Department of Public Health, hereinafter called the County, and

Name
 Town of Apple Valley – Animal Services Department
 Address
 14955 Dale Evans Parkway
 Apply Valley, CA 92307
 Telephone
 (760) 240-7000 Ext. 7060

hereinafter called Town

IT IS HEREBY AGREED AS FOLLOWS:

AMENDMENT NO. 1

It is hereby agreed to amend Contract No. 12-864 as follows:

SECTION VI. FISCAL PROVISIONS

Amend Paragraph B to read as follows:

<i>Auditor-Controller/Treasurer Tax Collector Use Only</i>	
<input type="checkbox"/> Contract Database	<input type="checkbox"/> FAS
Input Date	Keyed By

B. The payment for shelter services under this Agreement for FY 2012/13 was \$186,790.00. The payment for FY 2013-14 was \$305,334.04. The minimum guaranteed payment for July 1, 2014 through December 2014 is \$25,228.83 per month. Beginning January 1, 2015 the minimum guaranteed payment for shelter services is \$38,623.08 per month. Thereafter, the minimum guaranteed payment shall be based upon an annual rate of \$463,477 which shall be adjusted annually effective July 1 of each year. The adjustment will be based upon the change in the Consumer Price Index for the month of May (preceding the July 1 effective date of the change) on a year over year basis for All Urban Consumers ("CPI-U") as published by the U.S. Department of Labor for the Los Angeles-Riverside-Orange Counties Standardized Metropolitan Statistical Area (SMSA).

Amend Paragraph D to read as follows:

D. County shall pay to Town a one-time payment of \$35,000 during FY 2012-13 for Capital Improvements, including shelter renovations and modifications to animal holding areas that the Town deems necessary to house animals impounded by County at Shelter as a result of this Agreement. Annually, the County and Town shall meet to discuss future Capital Improvement needs for the Town's animal shelter facility based on workload indicators including the number of animals housed on behalf of the County.

ATTACHMENTS

Attachment A – Replace "Agreed upon Fees"

All other terms and conditions will remain in full force and effect.

COUNTY OF SAN BERNARDINO

▶ _____
Janice Rutherford, Chair, Board of Supervisors

Dated: _____

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

Laura H. Welch
Clerk of the Board of Supervisors
of the County of San Bernardino

By _____
Deputy

Town of Apple Valley, Town
(Print or type name of corporation, company, contractor, etc.)

By ▶ _____
(Authorized signature - sign in blue ink)

Name _____
(Print or type name of person signing contract)

Title Town Manager
(Print or Type)

Dated: _____

Address 14955 Dale Evans Parkway
Apple Valley, CA 92307

Approved as to Legal Form ▶ _____ Phebe W. Chu, Deputy County Counsel Date _____	Reviewed by Contract Compliance ▶ _____ Regina Dalton, HS Contracts Unit Date _____	Presented to BOS for Signature ▶ _____ Trudy Raymundo, Director Date _____
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AGREED UPON FEES

DESCRIPTION	January 1, 2013 – June 30, 2013	FY 13-14	July 2014 – December 2014	Jan 2015 through 2022 - 23
One-time cost for Capital Improvement	\$35,000	\$0.00	\$0.00	See Section VI, Paragraph D
Impounds & Medical 3350 Impounds (Dogs/Cats – maximum ¹)	\$25,298/month	See Section VI, Paragraph B.	\$25,228.83/month	See Section VI, Paragraph B.
Agreement TOTAL	\$186,790.00	\$305,334.04	\$151,372.98	

¹Impounds Exceeding Maximum will be Billed at Rates Established within Agreement

Each impoundment, regardless of status is counted as one (1) for the purpose of this agreement. This does not include an “unweaned” animal that is turned in with the mother. This is defined as a litter, no matter the number and counted as one. (Example: Owner-Turn-In: Dog is counted as one (1) dog; Citizen-Turn-In: Stray Dog is counted as one (1) dog, etc.)

Deceased animals delivered to the shelter will be billed to County at the rate of \$10 per animal and not counted against the maximum impounds per this agreement. Payments received from animal owners will be credited to County to offset the debit.

County will provide Town annually with their adopted **County Fee Schedule** as related to Animals. The following categories will be recorded as credits when payments are received from Customer:

- **Animal Handling** - County is responsible for collecting owner-turn-in fees in the field. Only fees deposited with Town will be credited to the account per this agreement.
- **Animal Licensing** – County has indicated this will be a small percentage of the CUSTOMERs and therefore Town has included this service in the agreement. Town reserves the right to review this service and increase of administrative overhead annually.
- **Animal Sheltering** – Fees charged to Customer by County for Impound and Disposal, Euthanasia, Dead Animal Disposal, and Spay/Neuter.

The following categories are fees or fundraising established by Town and **will not** be recorded as credits when payments are received from Customer unless expressly identified per this agreement:

- **Adoption Fees**
- **Microchip Fees**
- **Vaccination Fees**
- **Donations**
- **Rabies Clinics**
- **Boarding Fees after 5-days of Impoundment**