



Staff Report

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT AUTHORIZING AN AMENDMENT TO THE AGREEMENT WITH THE COUNTY OF SAN MATEO FOR THE PROVISION OF ANIMAL CONTROL SERVICES, EXTENDING IT THROUGH JUNE 30, 2008 AND REFLECTING A REDUCTION IN OVERALL COSTS

Honorable Mayor and Council Members:

Summary

Staff recommends that the City Council adopt the attached resolution executing an Amendment to the Agreement with San Mateo County for the provision of Animal Control Services, increasing the contract term from three years to five years and amending the payment schedule.

Background

The County of San Mateo has contracted with the Peninsula Humane Society (PHS) for Animal Control Services provided to all cities and the unincorporated areas of the County for over 45 years. The twenty cities have historically contracted with the County for Animal Control Services. On June 17, 2003, the Board of Supervisors adopted Resolution 066067 approving an Agreement with PHS for shelter and field Animal Control Services for the entire County and Resolution 066066 approving an Agreement with the twenty cities in the County to provide Animal Control Services. Belmont adopted Resolution #9429 in June 2003, approving a three-year Agreement with the County for shelter and field Animal Control Services. Both Agreements are three-year contracts terminating June 30, 2006.

The PHS contract allows a 5% increase between fiscal years. The Fiscal Year 2003-2004 total contract amount was \$4,454,397 and Belmont's share was 3.34% or \$133,185.

In addition, the County has leased County-owned land to PHS for use in providing services since 1971 for the rate of \$1 (one dollar) per year. The current lease terminates August 12, 2006.

Discussion

The County, cities and Peninsula Humane Society wish to extend the Animal Control Services contract an additional two years through June 30, 2008, in order to give the County, cities and

PHS time to plan for the future of Animal Control services in San Mateo County. This will include an analysis of alternatives to the historical arrangement with PHS. In addition, the PHS/County amendment will also extend the land lease with PHS through June 30, 2008, such that the County’s agreement with PHS is co-terminus with the lease of County land at Airport Boulevard.

Although the Amendment provides for a 5% increase for each additional year of service, PHS has agreed to \$732,510 in savings over the five-year term through a reduction in Fiscal Years 2004-2005 and 2005-2006 as shown in the following chart. Belmont will share in the overall reduction in the Animal Services Contract costs, however, as each city’s share fluctuates annually based on services provided to the community in the prior three years. Belmont’s share has decreased from 3.34% in FY 2003-2004 to 3.25% in FY 2004-2005. This offsets the reduction in the contract amount resulting in a decrease in Belmont’s cost to \$120,142 in FY 2004-2005.

Fiscal Year	Original Agreement	Extension of Agreement at 5% increase annually	Amendment	Difference
2003-2004	\$4,454,397	NA	\$4,454,397	\$ -
2004-2005	\$4,624,617	NA	\$4,424,617	\$(200,000)
2005-2006	\$4,803,348	NA	\$4,703,348	\$(100,000)
2006-2007	NA	\$5,043,515	\$4,829,745	\$(213,770)
2007-2008	NA	\$5,295,691	\$5,076,951	\$(218,740)
Total				\$(732,510)

Finally, the PHS contract Amendment also places responsibility with PHS, under the direction of the County Health Officer, to provide investigation of all animal bites (rabies quarantines) that occur in the County. The Health Department previously provided this service and payment for the quarantine services will continue to be solely through the County Health Department. None of the cities, including Belmont, will see a charge for these services and there will be no interruption in provision of these services.

The attached Amendment to Agreement for Animal Control Services defines the terms under which the above goals will be achieved. It outlines the specific payments that will be due by the County to PHS, a portion of which will come from Belmont based on a formula that takes into account a variety of factors, including past use of Animal Control services compared with other cities in the County. It removes references to PHS’s role in responding to and processing quarantine cases, which service is currently provided by the County Health Department and which will be taken on by PHS at no additional cost to cities upon amendment of the contract. The issue of quarantine cases will be handled entirely within the contract between PHS and the

County.

Fiscal Impact

The Amendment to Agreement For Animal Control Services represents a reduction in cost to the County and cities of \$732,510 over the five-year contract terms, assuming a 5% increase between contract years. For FY 2004-2005, the total PHS contract amount will decrease by \$200,000 to \$4,424,617. Since the city and County cost distribution formula is updated yearly based on the Animal Control services history of each City, offsetting revenues and other factors, it is not possible to provide exact data for Belmont's share in each of the years of the extended terms of the contract, however, in Fiscal Year 2004-2005, Belmont's share of costs is 3.25% or \$120,142. Actual estimates for cost distribution are distributed yearly in time for budget development.

Public Contact

This item has been posted and agendized as required by the applicable sections of the California Government Code.

Recommendation

In summary, the specific benefit of the proposed contract extension and revised payment schedule to Belmont is more strategic than financial at this time. Since PHS is a sole source vendor for animal control services at this time and since Belmont's apportionment is decreased, staff recommends approval of the attached contract extension at this time.

Alternatives

1. Continue the matter if additional information is needed.
2. Provide alternative direction for the provision of animal control services.
3. Take no action at this time.

Attachments

- A. Resolution Authorizing an Amendment to the Agreement with the County of San Mateo for the Provision of Animal Control Services
- B. County-wide Animal Control Services Cost Distribution Sheet
- C. Amendment to Agreement for Animal Control Services Between the Cities of Atherton, Belmont, Brisbane, Burlingame, Colma, Daly City, East Palo Alto, Foster City, Half Moon Bay, Hillsborough, Menlo Park, Millbrae, Pacifica, Portola Valley, Redwood City, San

Bruno, San Carlos, San Mateo, South San Francisco, Woodside and the County of San Mateo

Respectfully submitted,

Donald J. Mattei
Police Chief

Daniel Rich
Interim City Manager

RESOLUTION NO. _____

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AUTHORIZING AN AMENDMENT TO THE AGREEMENT WITH THE COUNTY OF SAN MATEO
FOR THE PROVISION OF ANIMAL CONTROL SERVICES, EXTENDING IT THROUGH JUNE 30,
2008, AND REFLECTING A REDUCTION IN OVERALL COSTS.**

WHEREAS, San Mateo County has contracted with the Peninsula Humane Society (PHS) for over 45 years for Animal Control Services and the twenty cities in the County have in turn contracted with the County for the provision of such services; and

WHEREAS, the City of Belmont adopted Resolution #9429 approving a three-year Agreement with the County for shelter and filed Animal Control Services; and

WHEREAS, the County and cities wish to amend the Agreements to extend the Animal Control Services contract through June 30, 2008, and amend the PHS payment schedule; and

WHEREAS, the City Council of the City of Belmont has been presented with these Amendments and desires to enter into same;

NOW, THEREFORE, BE IT RESOLVED that the Mayor of the City of Belmont is hereby authorized to execute said Amendment to the Agreement for and on behalf of the City of Belmont.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on March 22, 2005, by the following vote:

AYES, COUNCILMEMBERS: _____

NOES, COUNCILMEMBERS: _____

ABSTAIN, COUNCILMEMBERS: _____

ABSENT, COUNCILMEMBERS: _____

CLERK of the City of Belmont

APPROVED:

MAYOR of the City of Belmont