

Lompoc City Council Agenda Item



City Council Meeting Date: June 7, 2016

TO: Patrick Wiemiller, City Manager

FROM: Laura Candy, Administrative Analyst
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SUBJECT: Renewal of Agreement with County of Santa Barbara for Animal Control Services for Fiscal Year 2016-2017

Recommendation:

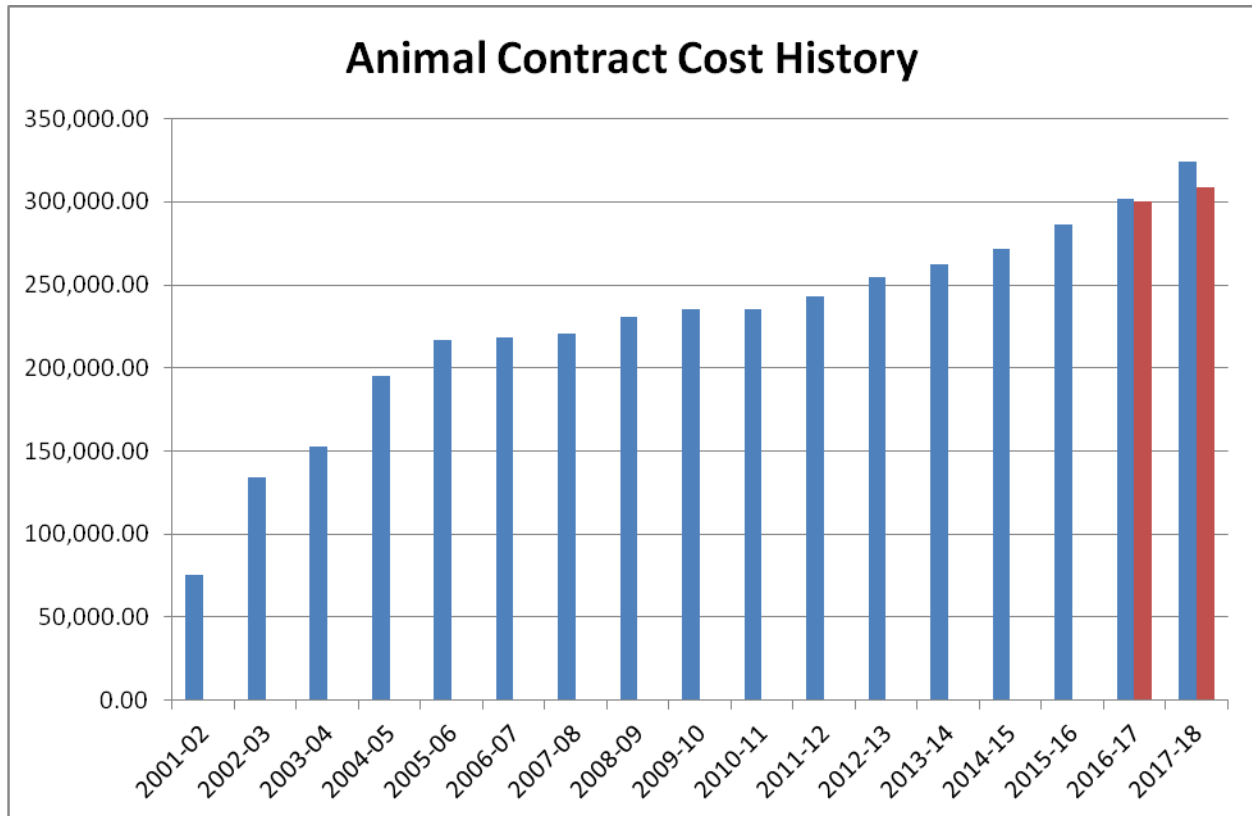
Staff recommends the City Council authorize the City Manager to execute a one-year Fourth Amendment to Agreement for Animal Control Services (Amendment) for Fiscal Year (FY) 2016-2017 with the County of Santa Barbara (County) in the total amount of \$301,524 (Attachment 1).

Background:

Historically, the County has provided Animal Control Services for the City of Lompoc (City), operating out of the Lompoc Animal Control Shelter (Animal Shelter). The Animal Shelter staff also provides services to the neighboring unincorporated areas of the County. The County provides Animal Control Services to the City, including regulation, control, and enforcement of Lompoc Animal Control Ordinances set forth in Title 6 of the Lompoc Municipal Code.

Discussion:

On March 17, 2016, the County sent a proposal for the renewal of the Animal Services Agreement with the City for FYs 2016-2018. That proposal contained increases for each fiscal year totaling a substantial 11.02% overall, with a 3.60% increase for FY 2016-2017 and a 7.42% increase for FY 2017-2018. After reviewing the Consumer Price Index for Los Angeles-Riverside-Orange County area (CPI-U) averages over both 2015 and the first three months of 2016, computations result in an average of 0.89% and 2.4% respectively. Taking those averages into consideration to determine fair and reasonable rates, the City offered to negotiate a comparatively, still generous, 3% increase each year. The County, however, did not accept that offer; and so staff agreed to the County's proposed 3.6% first-year increase, with the commitment by the County to work on year two to minimize the proposed increase. For a historical perspective of the consistent rate increases experienced by the City, the following chart shows the trend of rate increases over the last 15 years, with the two upcoming years compared with what staff offered in red.



The trend, as seen above, is moving upwards at a faster rate again than what it has for the past 10 years, with the exception of this current year, which was already far larger of an increase than what was determined reasonable at that time compared to the CPI-U. At the rate of those increases, the pricing for those services has made it necessary to consider other possible future alternative options, which staff will be exploring.

Presently, however, staff has determined the City's interests for this upcoming FY 2016-2017 would best be served by executing the Amendment extending the original Animal Control Services Agreement with the County for just one additional year (Attachment 1). For those services, the City will pay the County a fee totaling \$301,524 for Animal Control Services and for the operation of the Animal Shelter between July 1, 2016, and June 30, 2017. The one-year Agreement contains a 3.6% per capita rate increase, which totals a 5.19% increase in costs overall when taking into account the population increase from 39,966 to 40,582.

The Statement of Work is outlined in Exhibit A of the original Animal Control Services Agreement (Attachment 2). There were three previous amendments extending the Agreement through June 30, 2016. The Fourth Amendment will be effective from July 1, 2016, through June 30, 2017.

Fiscal Impact:

City Council's adoption of the Biennial Budget FYs (Budget) 2015-2017 provides appropriations of \$589,680 for Animal Control Services. The appropriations provide for the continuation of the Agreement with the County for Animal Control Services. The FY 2015-2016 Agreement provided for payments of \$286,636 for animal control services. The remaining appropriations for FY 2016-2017 is adequate to fund the Amendment for services provided in FY 2016-2017.

By deferring the discussions for the FY 2017-2018 Animal Control Services Agreement, the City will be able to incorporate the to be agreed upon amount into the Budget 2017-2019 as it is being developed assuring only the amount necessary for services is appropriated.

Conclusion:

Staff has determined continuation of this essential full-service Animal Control Program provided by the County is in the best interests of the City for this upcoming fiscal year and will renegotiate the terms of the Animal Control Services Agreement for FY 2017-2018.

Respectfully submitted,

Laura D. Candy, Administrative Analyst

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Patrick Wiemiller, City Manager

- Attachments: 1) [Fourth Amendment to the Agreement for Animal Control Services](#)
2) [Agreement \(original\) for Animal Control Services and Statement of Work](#)