

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: July 11, 2024

PREPARED BY: Richard Cannone, AICP, Director of Development Services
Kalaina Perez, Management Analyst

REQUEST: APPROVE AN AMENDMENT TO CONTRACT NO. C41770 TO EXTEND THE TERM AND INCREASE THE CONTRACT AMOUNT WITH THE COUNTY OF RIVERSIDE DEPARTMENT OF ANIMAL SERVICES

RECOMMENDATION:

1. Increase the annual contact amount for Fiscal Year 2023-24 to \$380,000 to cover the budgeted costs of animal field and shelter services.
2. Approve Amendment No. 1 to Contract No. C41770 with the County of Riverside Department of Animal Services to extend the contract for one year with an annual amount of \$380,000.
3. Authorize the Director of Finance to set aside a contingency for an additional \$20,000, subject to City Manager approval for additional fluctuations in services.
4. Authorize the City Attorney to make necessary non-monetary changes to the agreement.
5. Authorize the City Manager to execute said contract.

BACKGROUND/ANALYSIS:

This request includes two related actions:

1. Increase the Fiscal Year 2023-24 amount for contract C41770 to align with the budgeted allocation.

On July 8, 2021, the City Council approved a three-year contract (C41770) with the County of Riverside for animal field and shelter services. When the agreement was approved it established a maximum annual amount of \$350,000. For Fiscal Year 2023-24, the City budgeted \$360,000 for Animal Services. A mid-year budget adjustment approved an additional \$20,000, bringing the total budget to \$380,000 for the fiscal year.

Although the budget was approved and funds allocated, the City Council must also amend the contract amount due to the cap of \$350,000 set when it was approved in 2021. Since this is a reimbursable contract, amendments are submitted at the end of the fiscal year to reflect the actual costs and avoid multiple changes throughout the year.

2. Approve Amendment 1 to Contract C41770 for an additional year.

Riverside County Department Animal Services (DAS) has started a rate study but has not yet shared the results with the contract municipalities, including Palm Desert. DAS intends to take the necessary time to develop new rates collaboratively with the municipalities.

As a result, an amendment (Amendment No. 1 to Contract No. C41770) is needed to extend the current contract for an additional year. The proposed annual amount under

this amendment is \$380,000, with an additional \$20,000 in contingency reserved for potential fluctuations in sheltering costs, subject to City Manager approval.

The budget for FY 2024-25 included \$400,000 for animal services, which represents a 5% increase over the prior year's amended budget. However, DAS estimates that Palm Desert's costs for FY 2024-25 at \$380,000. Historically, these estimates have been lower than actual costs due to fluctuating sheltering costs.

Amendment No. 1 also replaces Exhibits A-C of the contract. Notable changes include the following:

Exhibit A:

- Animal Bites – The City will be responsible for administrative proceedings.
- Stray and Barking Animal Complaints - The City will be responsible for administrative proceedings.
- Issuance of Warnings and Citations - The City will be responsible for administrative proceedings.
- Contract Complaints (New) – City and County to designate primary and alternate contact.
- Emergency Calls – Adds venomous snakes and dead animals to the list.
- Quarterly Reports (New) – The County shall furnish to the City Manager, or designee quarterly and annual reports detailing field services provided that quarter. Upon reasonable notice to the County, City may inspect any facility or records to verify the data contained in the reports is accurate.

Exhibit B:

- The Canine Licensing fee retained by the County has increased from \$10.00 to \$11.92 per license.
- The daily rates have increased for animals other than cats and dogs as follows:
 - For horses and cattle: from \$20 to \$21 per animal per day.
 - For swine, goats, and sheep: from \$12 to \$12.60 per animal per day.

Exhibit C:

- Service rates have increased for every line item by approximately 5%.

Legal Review:

This report has been reviewed by the City Attorney's office.

FINANCIAL IMPACT:

Funding for each of these actions has been budgeted and is available in Account No. 1104230-4309000 in the respective fiscal years. There is no additional impact to the General Fund with this action.

ATTACHMENTS:

1. DAS Contract Rates for FY 2024-25
2. Draft Amendment No. 1 to Contract No. C41770