



Agenda Report

June 22, 2020

TO: Honorable Mayor and City Council

FROM: Department of Public Health

SUBJECT: APPROVE CONTRACT EXTENSION #30173-2 WITH PASADENA HUMANE SOCIETY & SPCA TO PROVIDE ANIMAL CONTROL SERVICES FOR ONE YEAR AT A COST OF \$1,625,887 AND RESTRUCTURE DOG LICENSE FEE

RECOMMENDATION:

It is recommended that the City Council:

1. Find the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3). The Common Sense Exemption states that CEQA only applies to projects that may have an effect on the environment;
2. Authorize the City Manager to extend the term of contract number 30173 with the Pasadena Humane Society & SPCA for a period of one year for a total not to exceed amount of \$1,625,887. Competitive bidding is not required pursuant to the City Charter Section 1002(F), contracts for professional or unique services;
3. Grant the proposed contract extension an exemption from the competitive selection process of the Competitive Bidding and Purchasing Ordinance pursuant to Pasadena Municipal Code 4.08.049(B) contracts for which the City's best interests are served;
4. Authorize the Pasadena Humane Society & SPCA to retain the first \$80,000 of animal licensing revenue and split the remainder with the City on a 50/50 basis in consideration of operating the animal licensing and canvassing program;
5. Direct the City Attorney to amend Chapter 6.16 of the PMC to eliminate dog license fee proration; and
6. Direct Staff to amend the Schedule of Taxes, Fees, and Charges to round down dog license fees to a whole dollar amount effective August 1, 2020.

BACKGROUND:

Since 1904 the City of Pasadena has contracted with the Pasadena Humane Society & SPCA (PHS) for the provision of animal control services and to meet the California Health and Safety Code (Section 121690) which mandates that the governing body of each city maintain a pound system and a rabies control program. These services include serving as the City's appointed Poundmaster and performing all the powers and duties conferred and imposed upon the Poundmaster by the Pasadena Municipal Code (PMC) and applicable State laws.

The current contract outlines the following services to be provided by PHS:

1. Patrol services Monday through Saturday from 6:00 AM to 6:00 PM, and until 9:00 PM during daylight saving time, including two hours per week of patrol and enforcement at the dog park;
2. Pick up and impound of stray animals;
3. Response and assistance to calls regarding predatory wildlife until the California Department of Fish and Wildlife can respond;
4. Animal bite investigations and quarantines where appropriate;
5. Enforcement of the City's spay and neuter ordinance by ensuring that dogs and cats not be released to Pasadena residents unless and until the pet complies with the adopted spay and neuter ordinance;
6. Provide low cost spay and neuter clinics, vaccination clinics, behavior and training classes, humane education programs, wildlife education and rehabilitation, and response to natural disaster situations;
7. Investigation of cruelty to animal charges and complaints for barking and/or excessively noisy dogs and other animals;
8. Disposal of carcasses of animals which come into its possession in the performance of the powers conferred by the PMC, in response to requests for removal from private property, and all dead wild and domestic animals from public streets and property;
9. Maintenance of a City Pound that provides shelter, care and emergency veterinary services and suitable for the keeping and safe holding of animals which are by law subject to impound;
10. Issuance of citations to appear in court as prescribed by state or local law;
11. Quarantine of any animal as deemed necessary by the City's Public Health Department; and

12. Operation of the animal licensing and canvassing program and maintenance of a database to track the population of dog breeds within the City.

Contract Extension

The contract extension will continue all of the abovementioned services. The major change in this contract extension is the shorter term length and the higher cost. While past contracts and extensions between the City and PHS typically ranged from three to five years in length, staff recommends that the City only extend the contract term with PHS for one year for the period July 1, 2020 – June 30, 2021. This "bridge year" term will allow the City to analyze potentially cost-effective and sustainable alternative options for the provision of future animal control services. The need to seek alternative options has arisen because of higher costs proposed by PHS.

Last year, PHS proposed dramatic cost increases for animal control services to the City, as well as to the cities of Arcadia, Bradbury, La Cañada Flintridge, San Marino, Sierra Madre, and South Pasadena. For Pasadena, the proposed increase was \$715,636 (57%) above to current cost of \$1,250,924, for a total proposed cost of \$1,966,560. The proposed increases effectively doubled the annual cost for these services across the seven cities from \$1,592,594 to \$3,088,384. The cost increases were the result of a new policy direction taken by the PHS Board, based on their own internal study and a question as to whether PHS wished to even continue delivering this type of service. PHS was not open to discussing the policy direction or its implications, nor to sharing the full study.

In response, staff from the group of affected cities met with PHS in an attempt to understand PHS's methodology and cost basis for the increases. Despite this meeting, the methodology utilized by PHS has not been clear and staff has not been able to establish a cost basis for the proposed increases. The group of cities worked with PHS to negotiate a reduced cost increase acceptable to PHS for the one year term of July 1, 2020 to June 30, 2021. The resulting breakdown of increases for the City is as follows:

Current Cost	PHS Proposed Cost	PHS Proposed Increase	Negotiated Cost	Negotiated Increase
\$1,250,924	\$1,966,560	\$715,636	\$1,625,887	\$374,963

During the bridge year period, City staff will perform an analysis of alternative animal control options with the intent of bringing a recommendation back to City Council in spring of 2021. These options will include:

- Partnering with the Los Angeles County Department of Animal Care and Control;
- Forming a joint powers authority with other affected cities for the purpose of animal control;
- Creating a division within the City to handle animal control issues;
- Developing a hybrid approach of two or more of the above options; and

- Continuing to contract with PHS.

Dog License Fee Restructure

PHS has requested that the City simplify its dog license fee structure by 1) removing proration, which is currently required by PMC 6.16.050.B, and 2) setting fees to whole dollar amounts. According to PHS, removing proration would allow the City's residents to purchase dog licenses online using PHS's new online purchasing platform, and setting fees at whole dollar amounts would simplify transactions for PHS staff and residents who purchase dog licenses in-person. PHS communicated to staff that their online purchasing platform could only accommodate a prorated fee structure with the purchase of an additional module, which would make online transactions less cost effective. The following table presents the current prorated dog license fee structure:

Dog License Fees				
Month	Altered	Altered Renewed	Unaltered	Unaltered Renewed
July	\$18.03	\$18.03	\$78.03	\$78.03
August	\$16.53	\$18.03	\$71.53	\$78.03
September	\$15.03	\$18.03	\$65.03	\$78.03
October	\$13.52	\$18.03	\$58.52	\$78.03
November	\$12.02	\$18.03	\$52.02	\$78.03
December	\$10.52	\$18.03	\$45.52	\$78.03
January	\$9.02	\$18.03	\$39.02	\$78.03
February	\$7.51	\$18.03	\$32.51	\$78.03
March	\$6.01	\$18.03	\$26.01	\$78.03
April	\$4.51	\$18.03	\$19.51	\$78.03
May	\$3.01	\$18.03	\$13.01	\$78.03
June	\$1.50	\$18.03	\$6.50	\$78.03

In the current structure, a dog license is valid until June 30th of the dog license year (July 1 – June 30) in which it was purchased. Other current dog license fees include:

Dog License Fee Type	Fee Cost
Transfer Fee (transfer of license from deceased dog to new dog)	\$5.76
Late Fee (for renewals paid after August 31 st)	\$23.11
Replacement Tag	\$6.71

The table below presents an alternative dog license fee structure without proration, as well as fees rounded down to their nearest whole dollar:

Dog License Fee Type	Fee Cost
Dog License (Unaltered)	\$78.00
Dog License (Altered)	\$18.00
Transfer Fee (license transfer from deceased dog to new dog)	\$5.00

Late Fee (for renewals paid after August 31 st)	\$23.00
Replacement Tag	\$6.00

In this structure, dog licenses could be valid for the remainder of the dog license year in which it was purchased, or alternatively, for a full year from the purchase of a dog license.

To eliminate proration of dog license fees, City Council can direct Staff to amend PMC 6.16. This amendment would come back to City Council at a future meeting. To round down dog license fees to whole dollar amounts, City Council can direct staff to amend the Schedule of Taxes, Fees, and Charges.

COUNCIL POLICY CONSIDERATION:

This contract is consistent with the City Council's goal to ensure public safety.

ENVIRONMENTAL ANALYSIS:

This contract is exempt from CEQA review pursuant to State CEQA Guidelines section 15061(b)(3). The contract is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to the provisions of CEQA.

FISCAL IMPACT:

Funding for the contract will be included in the Fiscal Year 2021 Operating Budget. The contract amount of \$1,625,887 is effective for one year. Further, in consideration of PHS operating the licensing and canvassing program, they may retain the first \$80,000 of the licensing revenue collected and will split the remainder with the City on a 50/50 basis.

The fiscal impact of restructuring the dog license fees is unknown.

Respectfully submitted,



YING-YING GOH, MD, MSHS
Director of Public Health

Prepared by:



GREGORY KWOLEK
Program Coordinator III

Approved by:



STEVE MERMELL
City Manager