



COUNTY OF SAN MATEO
Inter-Departmental Correspondence



Health System

DATE: April 6, 2011

BOARD MEETING DATE: April 26, 2011

SPECIAL NOTICE/HEARING: None

VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Jean S. Fraser, Chief, Health System
 Brian J. Zamora, Director, Community Health

SUBJECT: Third Amendment to the Agreement with Peninsula Humane Society & SPCA and Third Amendment to the Agreement with the Twenty Cities of the County

RECOMMENDATION:

Adopt a Resolution:

- A) Waiving the Request for Proposals process and authorizing the Chief of the Health System to execute a Third Amendment to the Agreement with Peninsula Humane Society & SPCA to provide animal control and licensing services to the County and the twenty cities of the County, extending the term of the contract and the land lease from June 17, 2003 through June 30, 2015, and increasing the maximum obligation by \$22,206,977 to a new maximum obligation of \$61,209,045; and
- B) Authorizing the Chief of the Health System to execute a Third Amendment to the Agreement with the twenty cities of the County for the provision of animal control services, extending the term through June 30, 2015.

BACKGROUND:

The County has contracted with Peninsula Humane Society & SPCA (PHS) for animal control services to all cities and the unincorporated areas of the County for approximately 50 years. Each of the twenty cities contract with the County to pay for PHS's services. All of the Agreements were three-year contracts that were set to terminate on June 30, 2006. Subsequently, on December 14, 2004, the First Amendments were approved extending the Agreements through June 30, 2008. The First Amendments combined the term of the Agreement with PHS for shelter and field animal control services for the entire County and the term of the land lease. The Second Amendments were approved on April 24, 2007, authorizing the Health Director to execute the Second Amendments and extending the Agreements through June 30, 2011.

DISCUSSION:

The waiver of the Request for Proposals (RFP) process and the Third Amendments are necessary to ensure continuity of service as well as protection of public health and safety. The cities and PHS wish to extend the animal control services Agreements and lease Agreement for an additional four years through June 30, 2015. The Third Amendment between the County and cities, and the Third Amendment between the County and PHS are both contingent upon the full execution of the other.

The Amendments and Resolution have been reviewed and approved by County Counsel. The Contractor's insurance has been reviewed and approved by Risk Management.

The Contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits.

The Amendments contribute to the Shared Vision 2025 outcome of a Healthy Community by providing animal control services which protect the public health and safety through a collaborative, county-wide approach. It is anticipated that 98% of the calls to PHS for field services will be responded to within timeframes specified in the contract.

Performance Measure:

Measure	FY 2009-10 Actual	FY 2010-11 Projected
Percent of calls for field services responded to within timeframes specified in the contract	98%	98%

FISCAL IMPACT:

The Agreements amount on the last year of the current term, FY 2010-11, is \$5,236,875. Under the Amendments, the amount in FY 2011-12 will remain the same. The amount will increase 3.4% to \$5,417,797 in FY 2012-13, 3.5% to \$5,608,170 in FY 2013-14, and 6% to \$5,944,135 in FY 2014-15. PHS will retain 100% of the unspent contract dollars for the first three years and 75% in the final year. The unspent amount was previously split equally between the cities/County and PHS and averaged \$316,000 per year.

The cities and County cost distribution formula is based on service level, and is updated annually. In FY 2010-11 the County's share of total animal control costs is 4.33% based on the total countywide field and sheltering services provided. Assuming the service level remains the same, the County's FY 2011-12 share of the PHS contract costs will be approximately \$154,955 in Net County Cost. Funds for these services have been included in the Public Health FY 2011-12 Recommended Budget. Similar arrangements will be in place for subsequent years.