

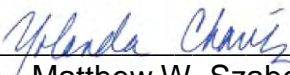
0220-06177-0000

TRANSMITTAL

TO Council	DATE 06-04-24	COUNCIL FILE NO. 11-1345-S2
FROM Municipal Facilities Committee	COUNCIL DISTRICT 7 and 10	

At its meeting held on May 30, 2024, the Municipal Facilities Committee approved the attached CAO report, which is hereby transmitted for Council consideration. Adoption of the report recommendation would authorize the Animal Services Department to execute a Request for Proposals process for management contracts to provide for the operation of the Northeast Valley and Jefferson Park Animal Service Centers, with the provision that the City of Los Angeles furnish basic facility maintenance and utility services.

Fiscal Impact: There is no anticipated General Fund impact. The facility maintenance and utility services for the Northeast Valley and Jefferson Park Animal Service Centers will continue to be provided through the Department of General Services and the City's Water and Electricity Fund budgets, with other operational costs to be funded by the non-profit operator and its co-located partners.


for Matthew W. Szabo
City Administrative Officer

MWS:JNR:04240047

CAO 649-d

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: June 4, 2024

CAO File No. 0220-06177-0000

Council File No. 11-1345-S2

Council District: 7 and 10

To: The Council

From: *Yplenda Chaniz*
for Matthew W. Szabo, City Administrative Officer

Reference: Motion (Rodriguez-Hutt-Yaroslavsky) adopted by Council on November 3, 2023

Subject: **FUNDING FOR THE UTILITIES AND MAINTENANCE COSTS AT THE
NORTHEAST VALLEY AND JEFFERSON PARK ANIMAL SERVICE CENTERS**

RECOMMENDATION

That the Council authorize the General Manager of the Department of Animal Services, to execute a Request for Proposals process for management contracts to provide for the operation of the Northeast and Jefferson Park Animal Service Centers, with the provision that the City of Los Angeles furnish basic facility maintenance and utility services, subject to the approval of the City Attorney as to form.

SUMMARY

On November 3, 2023, Council approved a Motion (Rodriguez–Hutt–Yaroslavsky [C.F. 11-1345-S2]) requesting this Office, with the assistance of the General Services Department (GSD), and the Department of Animal Services (Department), to report on the funding needed to cover maintenance and utilities costs at the Northeast Valley (NEV) and Jefferson Park (JP) Animal Service Centers. Under the initial agreement with Best Friends Animal Society, Inc., utilities and maintenance costs were provided through the GSD and the Water and Electricity Fund. Now that these animal care service contracts have expired, a new Request for Proposals (RFP) process has been initiated that requires approval to seek new service contracts, along with the provision that the City continue providing utilities and maintenance at no cost to the awarded contractor for the operation of these facilities.

The previous contracts included maintenance and utilities provided at no cost to the awarded contractor due to the estimated cost savings to the City by contracting the operation of the two Centers. The cost savings associated with a contractor providing these services is determined by the amount of staffing and resources required by the City to fully operate the shelter, in addition to the cost of maintenance and utilities. Furthermore, services levels provided by the Contractor, such as the number of full and part-time positions, as well as, types of services offered to the public are also considered for a complete assessment of the total operational costs at these facilities.

In order to quantify the amount of resources needed to open and fully operate the Animal Service Centers, the following metrics were used to identify a comparable Center:

- Size of the Facility (overall square footage)
- Types of designated spaces (sheltering area, surgical clinic, medical center)
- Number of available kennels (kennels and physical cages)
- Animal intake capacity

Once a comparable animal service center was identified, the current number of positions, types of classifications for each designated area, and related expense funding for that comparable shelter were utilized to determine the amount of funding needed to fully operate the NEV and JP Center.

Northeast Valley

The Northeast Valley (NEV) Center located at 15321 Brand Boulevard in Mission Hills, is a bond-financed facility approved by voters under the Proposition F (Fire and Animal Facilities) Bond Program in 2000. Due to City budget constraints and limited resources upon its completion in 2008, the Center was not open to the public and functioned only as a limited special operations shelter from Fiscal Year 2008-11. On January 10, 2011, the Office of the City Administrative Officer (CAO) released a Request for Information (RFI), on behalf of the Department, for a contractor to operate one or more animal shelters. On August 16, 2011, Council approved Contract No. C-120026 between the City and the Best Friends Animal Society, Inc., (Best Friends) with an initial term of three years with two one-year renewal options. The City decided to execute both one-year renewal options, and Contract No. C-120026 expired on December 30, 2016. Following a new Request for Proposals (RFP) process, on January 11, 2017, Council approved the execution of a new management contract with Best Friends, Contract No. C-128954, for the operation of the NEV Center for a three-year term from January 1, 2017 through December 31, 2019, with the option to extend for three additional years in one-year increments, of which expired on December 31, 2022.

In July 2022, the Department issued an RFP to select new operators for the NEV Center. Under the terms outlined in the RFP, the Contractor is to care for animals in accordance with all federal, state, and local humane laws and statutes and must provide all necessary staffing, equipment, and supplies. The Contractor is also required to obtain all permits, licenses, and registrations required to operate the NEV Center. The services being sought include, but are not limited to, providing adoption services, low-cost spay/neuter surgeries, low-cost veterinary services, licensing, and educational outreach. Under the initial RFP, the utilities and maintenance, which were previously provided at no cost to the awarded contractor for the operation of this facility, was included as an additional expense to be covered by the awarded contractor. The sole respondent to the RFP, Paws for Life K9 Rescue (Paws for Life), which was a subcontractor of Best Friends, informed the Department that it could not perform the services if obligated to pay for the Center's utilities and maintenance. Paws for Life is currently providing services following the previous contract termination date of December 31, 2022, under a short-term agreement until a new RFP is issued.

Under the previous contract, all necessary expenditures for services rendered to the public was covered by the contractor. The Contractor maintained 48 staff members and five volunteers, as well as, additional staff from subcontractors such as, Paws for Life, which provided an additional 12 staff members and the Community Animal Medicine Project (CAMP), which provided 20 staff for a total of 80 positions. In order to provide the same level of services, the Department's current salary and expense allocations, as well as, authorized position authorities would need to be adjusted at an additional General Fund cost of \$9.1 million.

The NEV Center is a 78,042 square foot facility, which is sub-divided by three designated spaces: a sheltering area (73,350 sq. ft.), a spay and neuter clinic operated by City partners (2,992 sq. ft.), and a medical facility for the treatment of animals in the Department's care (1,700 sq. ft.). In addition, the NEV Center has 250 kennels (96 for cats and 154 for dogs), of which, 40 are reserved for animals under observation, with an additional 120 physical cages. The Department's care standard is one animal per kennel; however, the maximum intake capacity varies due to the size of the animal and the number of animals that were brought in together – such as a mother with her litter or animals that were surrendered together.

Having reviewed the size and services provided at all six City-operated shelters, the East Valley Animal Care Center (EV Center) was determined to be a comparable facility to the NEV Center with 133,872 square feet, and three designated areas: a sheltering area (129,343 sq. ft.), a spay neuter clinic operated by City partners (2,813 sq. ft.) and a medical facility for the treatment of animals in the Department's care (1,716 sq. ft.). The EV Center has 235 kennels with 89 physical cages. The chart below provides a side-by-side comparison of both locations.

Metrics	Northeast Valley	East Valley
Facility Size	78,042 square feet	133,872 square feet
Designated Areas	Sheltering: 73,350 sq. ft. Clinic: 2,992 sq. ft. Medical: 1,700 sq. ft.	Sheltering: 129,343 sq. ft. Clinic: 2,813 sq. ft. Medical: 1,716 sq. ft.
Kennels	250 kennels and 120 cages	235 kennels and 89 cages
Maximum Capacity	370	324

Opening a fully-operational NEV Center would require the Department to hire and train 91 additional full-time employees as outlined below. These positions would support animal intake, care, and licensing, as well as animal regulation and enforcement, in addition to the necessary medical staff to provide vaccination and medical services, for a total of \$6,443,580. In addition to the required positions, expense funding in the Contractual Services (\$23,667), Medical Supplies (\$103,327), Animal Feed and Grain (\$210,174), Office and Administrative (\$21,030), and Operating Supplies (\$58,462) accounts is required totaling \$416,660. The City would also incur a related costs for employee benefits in the amount of \$2,241,721.48, for a grand total of \$9,101,961.48. Revenues generated from NEV Center activities would not fully offset the additional General Fund monies needed to open the facility.

Position Classification	Number of Positions	Salary	Total
Administrative Clerk	6	\$61,183.80	\$367,102.80
Sr. Administrative Clerk	2	72,198.00	144,396.00
Animal Care Technician	50	64,998.05	3,249,902.50
Animal Care Technician Supv.	4	75,870.80	303,483.20
Animal License Canvasser	1	41,457.05	41,457.05
Animal Control Officer	15	75,354.00	1,130,310.00
Sr. Animal Control Officer I	2	83,087.00	166,174.00
District Supervisor	1	113,463.25	113,463.25
Director of Field Operations	1	138,871.95	138,871.95
Veterinary Technician	7	80,690.15	564,831.05
Veterinarian II	1	153,102.95	153,102.95
Volunteer Coordinator	1	70,485.25	70,485.25
Total	91		\$6,443,580.00

**Note: Position salaries include MOU increases approved as of March 24, 2024.*

Jefferson Park

On September 30, 2016, Council District 10 introduced a Motion (CF 15-1041-S4) instructing the City Administrative Officer (CAO), with assistance from the Animal Services Department and the Office of City Attorney, to develop a Request for Proposals to identify one or more non-profit organizations to assist with the reopening and operation of the Jefferson Park (JP) Center, located at 3612 11th Avenue, that was previously decommissioned following the opening of the South Los Angeles Animal Services Center. Due to the high impound rate throughout this community, the Department and Council District 10 determined a need for additional services in the South LA region.

A sole source contract was awarded to Best Friends Animal Society (Contractor) by Council on January 31, 2018, following an evaluation of exemptions to competitive bidding as defined under Charter Section 371(e)(2), that determined that it is not practicable to award the contract through a competitive process given the lack of responses to the RFP. The initial contract was established as a three-year agreement with the option to extend for three additional years, in one-year increments, which was set to expire April 26, 2024. A new RFP process has been initiated for the JP Center; however, it also requires approval to continue providing utilities and maintenance services at no cost to the awarded contractor for the operation of these facilities.

Under the previous contract, all necessary expenditures for services rendered to the public was covered by the contractor. The contractor maintained a total of 62 positions that included staff from the following subcontractors: Stray Cat Alliance (22), Angel City Pit Bulls (15), HEARTLA (5), and Community Animal Medicine Project (20). In order to provide the same level of services, the Department's current salary and expense allocations, as well as, authorized position authorities would need to be adjusted at an additional General Fund cost of \$4.01 million.

The JP Center is a 33,176 square foot facility, which is sub-divided by three dedicated spaces: a sheltering area (28,626 sq. ft.), a spay and neuter clinic operated by City partners (2,900 sq. ft.), and a medical facility for the treatment of animals in the Department's care (1,650 sq. ft.). In addition, the JP Center currently has 144 kennels (100 for cats and 44 for dogs) and 55 physical cages for a total of 198 kennels. The Department's standard is one animal per kennel; however, the maximum intake capacity varies due to size of the animal and number of animals that were brought in together – such as a mother with her litter or animals that were surrendered together.

Having reviewed the size and services provided at all six City-operated shelters, the Harbor Animal Care Center (Harbor Center) was determined to be a comparable facility to the JP Center with 133,872 square feet, and three designated areas: a sheltering area (75,228 sq. ft.), a spay and neuter clinic operated by City partners (1,995 sq. ft.), and a medical facility for the treatment of animals in the Department's care (1,160 sq. ft.). The Harbor Center has 156 kennels with 10 isolation kennels and 76 physical cages.

Metrics	Jefferson Park	Harbor
Facility Size	33,176 square feet	133,872 square feet
Designated Areas	Sheltering: 28,626 sq. ft. Clinic: 2,900 sq. ft. Medical: 1,650 sq. ft.	Sheltering: 130,717 sq. ft. Clinic: 1,995 sq. ft. Medical: 1,160 sq. ft.
Kennels	144 Kennels and 54 cages	156 Kennels and 76 cages
Maximum Capacity	198	232

Opening a fully-operational JP Center would require the Department to hire and train 39 additional full-time employees, as outlined below. In addition to required positions, expense funding in the Contractual Services (\$23,168), Medical Supplies (\$68,624), Animal Feed and Grain (\$117,584), Office and Administrative (\$17,362), and Operating Supplies (\$30,018) accounts is required totaling of \$254,209. The City would also incur a related costs for employee benefits in the amount of \$969,624.66, for a grand total of \$4,010,912.31. Revenues generated from JP Center activities would not fully offset the additional General Fund monies needed to open the facility.

Position Classification	Number of Positions	Salary	Total
Administrative Clerk	4	\$61,183.80	\$244,735.20
Animal Care Technician	20	64,998.05	\$1,299,961.00
Animal Care Technician Supv.	2	75,870.80	\$151,741.60
Animal License Canvasser	1	41,457.05	\$41,457.05
Animal Control Officer	5	75,354.00	\$376,770.00
Sr. Animal Control Officer I	1	83,087.00	\$83,087.00
District Supervisor	1	113,463.25	\$113,463.25
Veterinary Technician	4	80,690.15	\$322,760.60
Veterinarian II	1	153,102.95	\$153,102.95
Total	39		\$2,787,078.65

**Note: Position salaries include MOU increases approved as of March 24, 2024.*

Maintenance and Utilities Funding

GSD provides basic facility maintenance at all City shelters, including utility services for the NEV and Jefferson Park Centers through the Water and Electricity Fund. The following chart provides a breakdown of expenses for 2023-24 and current year-to-date totals. GSD reports that on average it costs \$101,670 to provide these services for the NEV Center and \$108,817 for the JP Center; however, completed work orders and capital expenses are also included to reflect the total costs associated with the maintenance of these facilities.

Service	NEV Center		JP Center	
	2022-23	2023-24 YTD	2022-23	2023-24 YTD
Utilities	\$193,118.00	\$120,403.00	\$158,339.00	\$83,991.00
Building Maintenance	48,016.00	64,200.00	31,690.00	28,562.00
Capital Projects	37,907.00	112,862.00	--	71,065.00
Custodial	--	--	--	--
Total	\$279,041.00	\$297,465.00	\$190,029.00	\$183,618.00

**Note: Totals reflect completed work order request only. All pending requests are not reflected as costs.*

It would cost the City a combined total of approximately \$13.1 million in staff salaries, benefits, and expenses to operate the NEV and JP Centers under the same conditions as a contractor. Should the City continue to contract out NEV and JP Center operations, it would be cost-neutral and the City would be afforded \$13.1 million in services.

FISCAL IMPACT STATEMENT

Approval of the recommendation in this report will authorize the Department of Animal Services to execute a Request for Proposals process for management contracts that to provide for the operation of the Northeast and Jefferson Park Animal Service Centers, with the provision that the City of Los Angeles furnish basic facility maintenance and utility services, subject to the approval of the City Attorney as to form. The General Services Department has provided basic facility maintenance at all City shelters, including utility services for the NEV and JP Center through the Water and Electricity fund. The recommendation will provide cost savings during the term of the contract based on the services the awarded contractor will provide at no additional cost to the City. The estimated value of the services provided is approximately \$13.1 million per year. There is no additional fiscal impact to the General Fund.

FINANCIAL POLICIES STATEMENT

The recommendation stated in this report complies with the City's Financial Policies in that budgeted funds are used for the intended purposes.

MWS:JNR:04240047

Attachment

MOTION

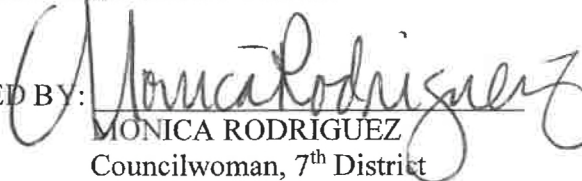
The Northeast Valley and Jefferson Park Animal Service Centers provide animal care services for the overflow animals from the six City operated shelters. In 2011, the Department of Animal Services (DAS) executed a contract with Best Friends Animal Society (Best Friends) to operate Northeast Valley, from January 1, 2012 through December 30, 2016. The DAS then executed a second contract with Best Friends to continue operating Northeast Valley, from January 1, 2017 through December 31, 2022. In 2018, DAS executed a contract with Best Friends to operate Jefferson Park, from April 27, 2018 through March 28, 2021, with the option of three one-year extensions. The DAS is in the process of executing the third and final one-year extension, which will expire on April 26, 2024. Under these two contracts, the City paid for basic utilities and maintenance.


In July 2022 and January 2023, the DAS issued Request for Proposals (RFP) to select new operators for the Northeast Valley and Jefferson Park Animal Service Centers respectively. The RFPs state that the awarded operators would be responsible for the utilities and maintenance. Only one response was received from Paws for Life K9 Rescue (Paws for Life) for Northeast Valley, which was a subcontractor of Best Friends and already operating out of the facility. Although Paws for Life was selected, it subsequently informed the DAS that it could not perform the service if obligated to pay for the utilities and maintenance. To ensure services remain uninterrupted, Paws for Life has been operating the Northeast Valley since Best Friends' contract ended on December 31, 2022. The Department anticipates that it will not receive any bids for Jefferson Park if the City requires the contractor to pay for utilities and maintenance. It is in the best interests of the City to continue offering the prior arrangement whereby the City covered the basic utilities and maintenance in exchange for no-cost services to operate the facility. DAS is in the process of issuing a new RFP to address this issue, but needs a lease or license agreement with Best Friends in the interim to operate the Northeast Valley Animal Service Center.

I THEREFORE MOVE that the City Council instruct the Department of General Services, with the assistance of the Department of Animal Services, the City Administrative Officer, the and Office of the City Attorney, to negotiate a no-cost, one-year lease or license agreement with one-year option to renew at the City's discretion between the City of Los Angeles and Paws for Life K9 Rescue for the operation of the Northeast Valley Animal Service Center for services provided under Contract No. C-128954.

I FURTHER MOVE that the City Council instruct the City Administrative Officer with the assistance of the General Services Department and the Department of Animal Services to report on the funding needed to cover basic utilities and maintenance at the Northeast Valley and Jefferson Park Animal Service Centers.

PRESENTED BY:


MONICA RODRIGUEZ
Councilwoman, 7th District


HEATHER HUTT
Councilwoman, 10th District

SECONDED BY:



ORIGINAL