

CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE



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June 17, 2014

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute Second Amendments to Agreement Nos. 31742 with the City of Cerritos, 31708 with the City of Los Alamitos, 31707 with the City of Seal Beach, and 31714 with the City of Signal Hill, and any related documents to extend the provision of services by the City of Long Beach's Animal Care Services Bureau through June 30, 2016; establish an updated Compensation Schedule for Fiscal Year 2015; and provide for an adjustment to the Compensation Schedule to match the percent change in the Consumer Price Index in Fiscal Year 2016. (Citywide)

DISCUSSION

For the past 22 years, the City of Long Beach's Animal Care Services Bureau (ACS) has provided various services, including sheltering, impounding, and calls for service (Services) to the cities of Cerritos, Los Alamitos, Seal Beach, and Signal Hill (collectively referred to as Contract Cities). On July 8, 2010, the City Council authorized Agreement Nos. 31742 with the City of Cerritos, 31708 with the City of Los Alamitos, 31707 with the City of Seal Beach, and 31714 with the City of Signal Hill (Agreements), which established parameters for the City of Long Beach's provision of Services to the Contract Cities, and established a Compensation Schedule based upon a Total Cost Allocation Model. This allowed the Contract Cities to pay only their respective share of ACS' total budget for Services. On May 15, 2012, the Agreements were amended to extend the term, update the Compensation Schedule, and incorporate an escalator, which matched the percent change in the Consumer Price Index (CPI) since the last adjustment.

On June 30, 2014, the amended terms of the Agreements will expire. In order to continue the provision of Services to the Contract Cities, it is necessary to execute Second Amendments to the aforementioned Agreements. The Department of Parks, Recreation and Marine has worked with the Contract Cities and has received consent from each to proceed with amending the Agreements, which incorporate an updated Compensation Schedule for FY15, and an adjustment of the Compensation Schedule for FY16, based upon the percent change in the CPI.

HONORABLE MAYOR AND CITY COUNCIL

June 17, 2014

Page 2

The proposed Second Amendments will contain the following major provisions:

- Term: Two years, from July 1, 2014 through June 30, 2016.
- Amended Compensation Schedule for FY15: The Compensation Schedule below reflects portions of the actual budget for Services from FY11, which have been increased to match the one-year percent change in the CPI in FY14 of 1.04 percent (pursuant to the First Amendment to the Agreements), plus an additional increase of three percent, for a total increase of 4.04 percent over the previously approved Compensation Schedule.

1. Cerritos	\$307,113
2. Los Alamitos	\$ 80,730
3. Seal Beach	\$147,111
4. Signal Hill	\$ 71,289
Total:	\$606,243

- FY16 CPI Adjustment: On June 1, 2016, the above-mentioned Compensation Schedule shall be adjusted by the percent change in the CPI for All Urban Consumers, All Items, Base Period 1982–84=100, for the Los Angeles-Riverside-Orange County, CA Area, (February 2015 to February 2016), as published by the United States Department of Labor, Bureau of Labor Statistics (CUURA421SA0), but shall not exceed eight percent in any given fiscal year.

This matter was reviewed by Deputy City Attorney Kendra L. Carney on May 28, 2014, and by Budget Management Officer Victoria Bell on May 30, 2014.

TIMING CONSIDERATIONS

City Council action is requested on June 17, 2014, in order to amend the Agreements to allow the City of Long Beach to continue providing Services, and to avoid any delays and/or interruptions of Services to the Contract Cities.

FISCAL IMPACT

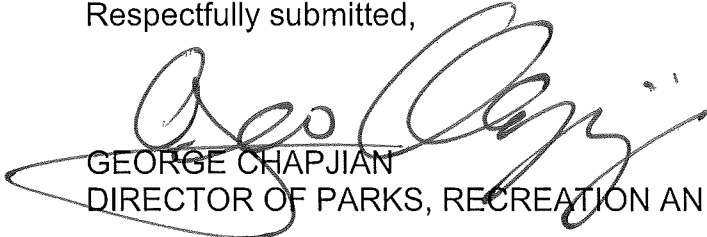
In FY15, a total of \$606,243 will accrue to the General Fund (GP) in the Parks, Recreation and Marine Department (PR). In FY16, the Compensation Schedule will be adjusted by the percent change in the CPI (February 2015 to February 2016) up to eight percent. There is no impact to jobs associated with the recommended action.

HONORABLE MAYOR AND CITY COUNCIL
June 17, 2014
Page 3

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



GEORGE CHAPJIAN
DIRECTOR OF PARKS, RECREATION AND MARINE

GC:TS:RL:ak

APPROVED:



PATRICK H. WEST
CITY MANAGER