



# CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE



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June 14, 2016

HONORABLE MAYOR AND CITY COUNCIL  
 City of Long Beach  
 California

**RECOMMENDATION:**

Authorize the City Manager to execute new agreements, and any related documents, with the cities of Cerritos, Los Alamitos, Seal Beach, and Signal Hill to continue the provision of services by the City of Long Beach's Animal Care Services Bureau through June 30, 2018, with two consecutive two-year renewal options; establish an updated Compensation Schedule for Fiscal Year 2017; and, provide for an adjustment to the Compensation Schedule to match the percent change in the Consumer Price Index in Fiscal Year 2018. (Citywide)

**DISCUSSION**

For the past 24 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 (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, establish 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, 2016, the Agreements will expire and all remaining renewals will have been exhausted. In order to continue the provision of Services to the Contract Cities, it is necessary to execute new Agreements. The Department of Parks, Recreation and Marine (PRM) has worked with the Contract Cities and has received consent from each to proceed with entering into new Agreements, which include an updated Compensation Schedule for FY 17, and an adjustment of the Compensation Schedule for FY 18, based upon the percent change in the CPI.

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The proposed Agreements will contain the following major provisions:

- Term: Two years, from July 1, 2016 through June 30, 2018.
- Renewal Options: Two consecutive two-year renewal options.
- Compensation Schedule for FY 17: The Compensation Schedule below reflects portions of the actual budget for Services from FY 17 for each of the respective Contract Cities, and helps ensure cost recovery for the operation.

1.	Cerritos	\$319,806
2.	Los Alamitos	\$ 88,464
3.	Seal Beach	\$158,190
4.	Signal Hill	\$ 78,118
<b>Total:</b>		<b>\$644,578</b>

- FY 18 CPI Adjustment: On June 1, 2018, 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 2017 to February 2018), as published by the United States Department of Labor, Bureau of Labor Statistics (CUURA421SA0), but shall not exceed 8 percent in any given fiscal year.

This matter was reviewed by Deputy City Attorney Arturo D. Sanchez and by Budget Operations Administrator Grace Yoon on May 24, 2016.

TIMING CONSIDERATIONS

City Council action is requested on June 14, 2016, to proceed with the execution of 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 FY 17, a total of \$644,578 will accrue to the General Fund (GF) in the Parks, Recreation and Marine Department (PR). In FY 18, the Compensation Schedule will be adjusted by the percent change in the CPI (February 2017 to February 2018) up to a total of 8 percent. This recommendation will result in a positive impact on jobs, as revenue from the Contract Cities will continue to offset a portion of ACS' budgeted expenditures for patrol and shelter operations staff.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MARIE KNIGHT  
DIRECTOR OF PARKS, RECREATION AND MARINE

MK:TS:SS:RL:ak

APPROVED:



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PATRICK H. WEST  
CITY MANAGER