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City of South Gate
CITY COUNCIL

Item No. 8

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

AGENDA BILL

For the Regular Meeting of: July 14, 2020

Originating Department: Police

Department Director: 
Randall Davis


City Manager: 
Michael Flad

SUBJECT: AMENDMENT NO. 1 TO CONTRACT NO. 3525 WITH SEAACA TO PROVIDE ANIMAL CONTROL SERVICES

PURPOSE: To approve Amendment No. 1 to Contract No. 3525, the Southeast Area Animal Control Authority (SEAACA) Agreement for Animal Control Services for Fiscal Years 2019/20 through 2023/24, to approve the costs for the second year of this five-year contract.

RECOMMENDED ACTIONS:

- a. Approve Amendment No. 1 to Contract No. 3525 with the Southeast Area Animal Control Authority for animal control and sheltering services, retroactively effective July 1, 2020, for an amount not to exceed \$627,538 for Fiscal Year 2020/21; and
- b. Authorize the Mayor to execute Amendment No. 1 in a form acceptable to the City Attorney.

 **FISCAL IMPACT:** The net cost to the General Fund for animal control and sheltering services for Fiscal Year 2020/21 will not exceed \$627,538.

ANALYSIS: None

BACKGROUND: Proposed Amendment No. 1 for animal control and sheltering services for Fiscal Year 2020/21 is \$850,538. which is a 3.5% increase from last year's cost of \$821,776. The guaranteed licensing revenues and penalty fees are expected to remain at \$223,000, which results in a net cost to the City of \$627,538. The 3.5% rate increase accounts for salary increases and rising costs associated with electric, water, cleaning supplies, surgical supplies, contracted maintenance, facility improvements, and veterinary medicine. If license revenues and penalty fees exceed the pre-determined amount of \$223,000, 50% of the excess funds will be retained by SEAACA and the other 50% will be rebated to the City following the close of Fiscal Year 2020/21. In the current fiscal year, it is estimated that the additional rebate to the City will be approximately \$30,000 because the licensing revenues and penalty fees will exceed the guaranteed funds for Fiscal Year 2019/20. This additional revenue will further reduce the net cost to the City.

ATTACHMENTS: A. Proposed Amendment No. 1
B. Contract No. 3525

CITY OF SOUTH GATE - CONTRACT NO. 3525
AMENDMENT NO. 1 TO THE AGREEMENT FOR ANIMAL CONTROL AND SHELTERING SERVICES

THIS AMENDMENT NO. 1 to the July 1, 2019 Agreement for Animal Control and Sheltering Services is made and is entered into on July 14, 2020 and retroactively effective July 1, 2020 by and between the SOUTHEAST AREA ANIMAL CONTROL AUTHORITY whose address is 9777 SEAACA Street, Downey, California 90241 (herein, "SEAACA") and the CITY OF SOUTH GATE, a California Corporation, whose address is 8620 California Avenue, South Gate, California 90280 (herein "CITY").

RECITALS

WHEREAS, CITY and SEAACA previously entered into an Agreement for Animal Control and Sheltering Services dated July 1, 2019 for the fiscal years 2019-2024; and

WHEREAS, The Agreement provides for annual costs and fees for Animal Control and Sheltering Services; and

WHEREAS, SEAACA and CITY desire to set forth costs to CITY for Animal Control and Sheltering Services for the Fiscal Year 2020-2021.

NOW THEREFORE, SEAACA and CITY agree that the aforementioned Agreement for Animal Control and Sheltering Services dated July 1, 2019 shall be amended in the following regards:

SECTION II. Paragraph 2, Subsections a) and b) are amended to read as follows:

a) The total cost to the CITY for Fiscal Year 2020-2021 shall be \$850,538.00 offset by revenues collected by SEAACA in performance of this Agreement for license fees and penalties. SEAACA guarantees that the base revenues shall be \$223,000.00 for Fiscal Year 2020-2021; the guarantee will be provided by SEAACA annually. If license revenues exceed the guarantee, 50% shall be retained by SEAACA and 50% shall be returned to the CITY following the close of the fiscal year.

b) The net cost for Fiscal Year 2020-2021 to CITY for said services shall not exceed \$627,538.00 and shall be paid by CITY to SEAACA in two equal payments upon invoice on the following schedule: July 1, 2020, \$313,769.00 and \$313,769.00 on October 1, 2020. Said sums shall be paid within thirty (30) days after receipt of invoice. If payment is not delivered to SEAACA within thirty (30) days after CITY's receipt of invoice, SEAACA is entitled to recover interest thereon. Said interest shall be at the rate of ten percent (10%) per year, or any portion thereof, calculated from the last day of the month in which the services were performed. If such payment is not delivered to SEAACA within the time set forth hereinabove, SEAACA may satisfy such indebtedness, including interest thereon, from any funds of the CITY on deposit or to the credit of SEAACA, without giving further notice to CITY of SEAACA's intent to do so.

SECTION II. All of the remaining provisions of the Agreement for Animal Control and Sheltering Services shall remain the same.

IN WITNESS WHEREOF, THE CITY OF SOUTH GATE, by order of its City Council caused this AMENDMENT NO. 1 to be signed by its Mayor and attested to by its Clerk, and the SOUTHEAST AREA ANIMAL CONTROL AUTHORITY, (a.k.a. SEAACA), by order of its Commission, has caused this AMENDMENT NO. 1 to be subscribed by the Chairperson of said Commission and attested to by the Executive Director and/or Clerk of said Commission.

CITY OF SOUTH GATE:

BY: _____

Maria Davila, Mayor


Dated: _____

ATTEST:

BY: _____

Carmen Avalos, City Clerk

APPROVED AS TO FORM:

BY:  _____

Raul F. Salinas, City Attorney

SOUTHEAST AREA ANIMAL CONTROL
AUTHORITY:

BY: _____

Kimberly Cobos Cawthorne, Chairperson

Dated: _____

ATTEST:

BY: _____

Denise Woodside, Executive Director

APPROVED AS TO FORM:

BY: _____

Scott Nichols, SEAACA Attorney