

CITY COUNCIL

For City Clerk's Use:

☐ **APPROVED** ☐ **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 16

Date: June 9, 2010

TO: Honorable Mayor and Members of the City Council

FROM: Gail Sullivan, Deputy City Manager
Susan Cervenka, Police Services Bureau Manager

SUBJECT: FY 2010-11 Animal Control Services Agreement with the Escondido Humane Society

RECOMMENDATION:

It is requested that Council adopt Resolution No. 2010-91 approving a FY 2010-11 Animal Control Services Agreement with the Escondido Humane Society (EHS), and authorizing the Mayor and City Clerk to execute contract documents on behalf of the City.

FISCAL ANALYSIS:

FY 2010-11 gross costs for animal control services in Escondido will be \$1,009,301. This amount will be offset by license and service fee revenue (estimated at \$137,000) collected by EHS on behalf of the City, a land lease credit of \$35,026 and Regional Communication System (RCS) radio fees in the amount of \$2,226.

Gross costs include RCS radio fees assigned to EHS for animal control. Since Escondido "sponsors" the radios and pays fees directly to the RCS, these fees are deducted from Escondido's animal control contract cost in the amount of \$2,226. Total fees paid to the RCS for EHS radios include \$1,258 for Escondido, \$634 for San Marcos and \$334 for Poway.

FY 2010-11 contract costs with EHS for animal control services will be \$835,049. This amount is budgeted in FY 10-11 General Fund Budget allocations for animal control services.

PREVIOUS ACTION:

On June 3, 2009, City Council adopted Resolution 2009-70 approving an animal control services agreement with EHS through June 30, 2010.

BACKGROUND:

The City has contracted with EHS for animal control and sheltering services since July 2003. Under our Agreement, powers and duties of EHS include:

1. Enforcing the laws of the State of California, City and County relating to the care, treatment, quarantine and impounding of animals;
2. Responding to emergency calls for service regarding dangerous and wild animals, stray livestock, loud and disturbing animals, animal bites on humans, arrests of persons with animals, injured animals, animal cruelty and other animal problems related to community health and safety;
3. Impounding, sheltering and vaccinating stray and relinquished animals;
4. Determining whether animals are suitable for adoption;
5. Collecting fees and maintaining records for animal control services and dog licensing in accordance with animal control regulations; and
6. Inspecting private animal facilities and kennels as needed.

During the term of our recent agreements, the cities of San Marcos and Poway have also contracted with EHS for animal services, resulting in economies of scale for all three cities. While each city has entered into separate agreements, contract terms with EHS have been similar. Poway and San Marcos are currently entering into new agreements with EHS through June 30, 2011.

The FY 2009-10 base contract cost with EHS did not change for the three contract cities. However, since contract costs for each jurisdiction within the base are divided 50% on population and 50% on calls for service in the year prior, Escondido's costs increased \$7,544 due to increases in both population and calls for service.

FY 2010-11 gross costs for all three contract cities equate to just over 79.25% of actual expenses incurred by EHS during FY 2008-09 (\$1,751,315 of \$2,209,760), along with a 1% increase (\$17,457) for added utility costs and \$2,226 for radio fees. The 79.25% figure represents the percentage of animals impounded by EHS related to animal control (4481 of 5654). FY 2008-09 actual expenses include:

Administration	191,634
Adoptions	200,963
Animal Care	456,801
Animal Control	715,546
Maintenance	68,448
Veterinary Services	520,748
Volunteer Services	55,620
Total	<u>2,209,760</u>

Escondido's population of 144,831 (SANDAG 2009) equates to about 52% of the total 279,106 for the three contract cities. Calls for service in Escondido are 3,064, or 62% of the total. Using a 50% population and 50% calls for service formula to allocate costs, Escondido's FY 2010-11 net contract will increase \$119,555.

Staff has evaluated options for animal control and shelter services, including the feasibility of contracting with San Diego County Department of Animal Services, contracting with non-profit organizations and offering City-run services. Currently, local service providers including County Animal Services, lack shelter space to accommodate animals from Escondido. Due to budget constraints and up-front capital requirements needed to offer services in-house or partially in-house (vehicles, kennels, shelter space and equipment), other options are not feasible at this time. Staff is actively working with the Cities of Oceanside, Vista, and San Marcos to develop alternatives for service provision in the future, which may include a joint powers agreement, or contracting with another jurisdiction or provider.

Staff recommends adoption of Resolution 2010-91, authorizing an agreement to continue services with EHS through June 30, 2011. If approved, fees charged for licenses, quarantines and animal services collected by EHS on behalf of the City would offset gross costs. Fees remain consistent with County fees. Net expenses for animal control and sheltering with EHS will be \$835,049. Fees collected in excess of estimated revenue will be used to further reduce contract costs.

Respectfully submitted,



Gail Sullivan
Deputy City Manager



Susan Cervenka
Police Services Bureau Manager

Attachment A
FY 2010-11 EHS Animal Control Contract Cost Allocations

Proposed Annual Contract Cost: \$1,770,704

	<u>Escondido</u>	<u>San Marcos</u>	<u>Poway</u>	<u>TOTAL</u>	
Population	144,831	83,149	51,126	279,106	SANDAG (2009)
Percentage of Total Population	52%	30%	18%	100%	
Service Calls	3,064	1,309	595	4,968	7/1/08 - 6/30/09 calls for service
Percentage of Total Service Calls	62%	26%	12%	100%	

COST ALLOCATION PROPOSAL:

EHS Budget Proposal

			2010/2011 Gross Cost	Credits	Estimated Revenue Collected by EHS	Estimated Amount Paid to EHS (Net)
<u>Escondido</u>						
Percentage of Total Pop. (52%) x \$1,770,704 =	\$920,766	x .5 =	\$460,383			
Percentage of Total Calls (62%) x \$1,770,704 =	\$1,097,836	x .5 =	\$548,918			
Less land lease credit				(\$35,026)		
Less radio cost paid to RCS				(\$2,226)		
Total :			\$1,009,301	(\$37,252)	\$137,000	\$835,049
<u>San Marcos</u>						
Percentage of Total Pop. (30%) x \$1,770,704 =	\$531,211	x .5 =	\$265,606			
Percentage of Total Calls (26%) x \$1,770,704 =	\$460,383	x .5 =	\$230,192			
Total :			\$495,797		\$74,000	\$421,797
<u>Poway</u>						
Percentage of Total Pop. (18%) x \$1,770,704 =	\$318,727	x .5 =	\$159,363			
Percentage of Total Calls (12%) x \$1,770,704 =	\$212,484	x .5 =	\$106,242			
Total :			\$265,606		\$70,606	\$195,000
TOTALS:	\$1,770,704			(\$37,252)	\$281,606	\$1,451,846

RESOLUTION NO. 2010-91

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
APPROVING AN ANIMAL CONTROL
SERVICES AGREEMENT WITH THE
ESCONDIDO HUMANE SOCIETY AND
AUTHORIZING THE MAYOR AND CITY
CLERK TO EXECUTE CONTRACT
DOCUMENTS ON BEHALF OF THE CITY

WHEREAS, it has been determined to be in the City's best interest to retain the professional services of an organization to enforce the laws of the State of California relating to the care, treatment, quarantine and impounding of animals; and

WHEREAS, since July 1, 2003, the City has entered into agreements with the Escondido Humane Society to provide animal control and sheltering services for the City of Escondido; and

WHEREAS, on June 3, 2009, City Council adopted Resolution 2009-70 approving an agreement through June 30, 2010; and

WHEREAS, the City and the Escondido Humane Society agree to enter into a new agreement to continue services through June 30, 2011;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the Mayor and City Clerk are hereby authorized to execute, on behalf of the City, an Animal Control Services Agreement ("Agreement") with the Escondido Humane Society from July 1, 2010, through June 30, 2011. A copy of the Agreement is attached to this resolution as Exhibit "A" and is incorporated by this reference.



CITY OF ESCONDIDO
Animal Control Services Agreement

This Agreement is made this _____ day of _____, 2010.

Between: CITY OF ESCONDIDO
a Municipal Corporation
201 N. Broadway
Escondido, California 92025
("CITY")

And: Escondido Humane Society
A California Non-profit Corporation
3450 E. Valley Parkway
Escondido, CA 92027
Attn: Sally Costello
760-888-2201
("CONTRACTOR")

Witness that whereas:

- A. It has been determined to be in the CITY's best interest to retain professional services to provide animal control and sheltering services; and
- B. CONTRACTOR is considered competent to perform the necessary professional services for CITY;

NOW, THEREFORE, it is mutually agreed by and between CITY and CONTRACTOR as follows:

1. Description of Services. CONTRACTOR will furnish animal control services as described in "Attachment A" which is attached and incorporated by this reference. The scope of services may be modified periodically at the mutual written agreement of both parties. CONTRACTOR also provides humane sheltering and adoption services as part of its mission as a non-profit organization. These services are outside the scope and compensation of this Agreement, and both parties acknowledge CONTRACTOR's independent authority and autonomy over the delivery of such humane sheltering and adoption services.
2. Term and Time of Performance. This Agreement shall commence on July 1, 2010 and shall terminate on June 30, 2011, unless it is renewed by mutual written agreement of the parties.
3. Compensation. The CITY will pay CONTRACTOR in accordance with the conditions specified in "Attachment B" and "Attachment C". No compensation will be provided for

any other tasks without specific prior written consent from the CITY. Payments shall occur monthly, within 30 days of receipt by the CITY of a written invoice from the CONTRACTOR. Any breach of this Agreement will relieve CITY from the obligation to pay CONTRACTOR, if CONTRACTOR has not corrected the breach after CITY provides notice and a reasonable time to correct it.

4. Performance. CONTRACTOR will faithfully perform all services in a proficient manner, to the satisfaction of the CITY.
5. Controlling Ordinance. The provision of the services under this Agreement within CITY's jurisdictional limits is presently governed by Section 4 of the Escondido Municipal Code, and by Chapters 6 and 7 of Division 2 of Title 6 of the San Diego County Code of Regulatory Ordinances ("County Ordinance"). This Agreement shall be carried out consistent with such laws. Exceptions and additions to the County Ordinance and the Municipal Code shall be made at CITY's sole discretion, with notice to CONTRACTOR of any such changes.
6. Records: All records generated by CONTRACTOR pursuant to this agreement shall be open for the CITY'S inspection during reasonable business hours.
7. Confidentiality. All information received by CONTRACTOR from the City that relates to the City's nonpublic information shall be considered confidential, as will information clearly marked "confidential." CONTRACTOR shall make every effort to refrain from disclosing or selling such confidential information to anyone but personnel who are performing services for the CITY under this Agreement. The City's dog licensing database is information that shall be kept confidential and not be disclosed without written consent of the CITY. CITY shall notify CONTRACTOR of any additional information provided to CONTRACTOR by the CITY that the CITY considers confidential.
8. Insurance.
 - a. The CONTRACTOR shall secure and maintain at its own cost, for all operations, the following insurance coverage, unless reduced by the City Attorney:
 - (1) General liability insurance. Occurrence basis with minimum limits of \$1,000,000 each occurrence, \$2,000,000 General Aggregate, and \$1,000,000 Products/Completed Operations Aggregate; and
 - (2) Automobile liability insurance of \$1,000,000 combined single-limit per accident for bodily injury and property damage, unless waived as provided in 8(b) below; and
 - (3) Workers' compensation and employer's liability insurance as required by the California Labor Code, as amended, or certificate of sole proprietorship; and
 - (4) Errors and Omissions professional liability insurance with minimum coverage of \$1,000,000.
 - b. Each insurance policy required above must be acceptable to the City Attorney.
 - (1) Each policy must provide for written notice within no more than thirty (30) days if cancellation or termination of the policy occurs. Insurance coverage must be provided by an A.M. Best's A- rated, class V carrier or better, admitted in

California, or if non-admitted, a company that is not on the Department of Insurance list of unacceptable carriers.

- (2) All non-admitted carriers will be required to provide a service of suit endorsement in addition to the additional insured endorsement.
 - (3) Both the General Liability and the Automobile Liability policies must name the CITY specifically as an additional insured under the policy on a separate endorsement page. The CITY includes its officials, employees, and volunteers. The endorsement must be ISO Form CG 20 10 11 85 edition or its equivalent for General Liability endorsements and CA 20 01 for Automobile Liability endorsements.
 - (4) The General Liability policy must include coverage for bodily injury and property damage arising from CONTRACTOR's work, including its on-going operations and products-completed operations hazard.
 - (5) The General Liability policy must be primary and noncontributory and any insurance maintained by CITY is excess.
 - c. In executing this Agreement, CONTRACTOR agrees to have completed insurance documents on file with the CITY within fourteen (14) days after the date of execution. Failure to comply with insurance requirements under this Agreement will be a material breach of this Agreement, resulting in immediate termination at CITY's option.
9. Indemnification. CONTRACTOR, which includes its agents, employees and subcontractors, if any, agrees to indemnify, defend, and hold harmless the CITY from all claims, lawsuits, damages, judgments, loss, liability, or expenses, including attorneys' fees, for any of the following:
 - a. Any claim of liability arising out of the negligence or any acts or omissions of CONTRACTOR in the performance of this Agreement;
 - b. Any personal injuries, property damage or death that CONTRACTOR may sustain while using CITY-controlled property or equipment, while participating in any activity sponsored by the CITY, or from any dangerous condition of property; or
 - c. Any injury or death which results or increases by any action taken to medically treat CONTRACTOR, or its agents, employees, or subcontractors.
10. Anti-Assignment Clause. The CONTRACTOR may not assign, delegate or transfer any interest or duty under this Agreement without advance written approval of the CITY, and any attempt to do so will immediately render this entire Agreement null and void.
11. Costs and Attorney's Fees. In the event that legal action is required to enforce the terms and conditions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs.
12. Independent Contractor. CONTRACTOR is an independent contractor and no agency or employment relationship, either express or implied, is created by the execution of this Agreement.
13. Contractor Employees Are Not City Employees. Only CONTRACTOR's employees shall perform the services and functions described in this Agreement. CONTRACTOR's employees shall be entitled solely to the rights and privileges given to CONTRACTOR's

employees and shall not be entitled to any additional rights and privileges given to CITY employees. CITY shall not be liable for the direct payment of any salaries, wages, or other compensation to any of CONTRACTOR's employees performing services under this Agreement. The CITY shall not be liable for Worker's Compensation or indemnity to any of CONTRACTOR's employees for injury or sickness or other claims arising out of his or her employment, except for claims or liability arising from the misconduct of the CITY, its agents, officers or employees.

14. Duties. CONTRACTOR shall be responsible for the diligent performance of all of its obligations under this Agreement. For the purposes of performing these functions, the CONTRACTOR shall furnish and supply all necessary personnel, labor, supervision, equipment and supplies necessary to maintain the level of service to be rendered under this Agreement. CITY shall have the right to visit and inspect equipment and facilities used by CONTRACTOR.
15. Breach. CITY shall give written notice to CONTRACTOR of any alleged breach of this Agreement and CONTRACTOR shall have thirty (30) days to correct the breach and to describe to CITY in writing the corrective measures taken. If after thirty (30) days the alleged breach continues, it shall be determined a material breach.
16. Termination. Either CONTRACTOR or the CITY may terminate this Agreement for cause with thirty (30) days advance written notice. In the event of such termination, the CITY shall pay CONTRACTOR for services rendered, with the net cost to be pro-rated for the actual time of service.
17. Merger Clause. This Agreement and its Attachments, if any, are the entire understanding of the parties, and there are no other terms or conditions, written or oral, controlling this matter. In the event of any conflict between the provisions of this Agreement and any of its Attachments, the provisions of this Agreement must prevail.
18. Anti-Waiver Clause. None of the provisions in this Agreement will be waived by CITY because of previous failure to insist upon strict performance, nor will any provision be waived by CITY because any other provision has been waived, in whole or in part.
19. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provisions of this Agreement.
20. Choice of Law. This Agreement is governed by the laws of the State of California. Venue for all actions arising from this Agreement must be exclusively in the state (North County) or federal courts located in San Diego County, California.
21. Multiple Copies of Agreement/Counterparts. Multiple copies and/or counterparts of this Agreement may be executed, including duplication by photocopy or by computerized scanning device. Each duplicate will be deemed an original with the same effect as if all the signatures were on the same instrument. However, the parties agree that the Agreement on file in the office of the Escondido City Clerk is the copy of the Agreement that shall take precedence should any differences exist among copies or counterparts of the document.
22. Provisions Cumulative. The foregoing provisions are cumulative and in addition to and not in limitation of any other rights or remedies available to the CITY.

23. Notices to Parties. Any statements, communications or notices to be provided pursuant to this Agreement must be sent to the attention of the persons indicated below. Each party agrees to promptly send notice of any changes of this information to the other party, at the address first above written.

CONTRACTOR:
Escondido Humane Society
3450 E. Valley Parkway
Escondido, CA 92027
Attn: Sally Costello
(760) 888-2201

CITY:
City of Escondido
201 N. Broadway
Escondido, CA 92025
Attn: Gail Sullivan
(760) 839-4587

24. Business License. The CONTRACTOR is required to obtain a City of Escondido Business License prior to execution of this Agreement.
25. Compliance with Applicable Laws, Permits and Licenses. CONTRACTOR shall keep itself informed of and comply with all applicable federal, state, and local laws, statutes, codes, ordinances, regulations, and rules in effect during the term of this Agreement. CONSULTANT shall obtain any and all licenses, permits, and authorizations necessary to perform services set forth in this Agreement. Neither CITY, nor any elected nor appointed boards, officers, officials, employees, or agents of CITY shall be liable, at law or in equity, as a result of any failure of CONTRACTOR to comply with this section.
26. Immigration Reform and Control Act of 1986. CONTRACTOR shall keep itself informed of and comply with the Immigration Reform and Control Act of 1986. CONTRACTOR affirms that as an employer in the State of California, all new employees must produce proof of eligibility to work in the United States within the first three days of employment and that only employees legally eligible to work in the United States will be employed on this public project. CONTRACTOR agrees to comply with such provisions before commencing and continuously throughout the performance of this Agreement.

IN WITNESS WHEREOF, the parties below are authorized to act on behalf of their organizations, and have executed this Agreement as of the date set forth below.

CITY OF ESCONDIDO

Date: _____

Lori Holt Pfeiler
Mayor

Date: _____

Marsha Whalen
City Clerk

CONTRACTOR

Date: _____

Board President

Date: _____

Sally Costello
Executive Director

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY
JEFFREY R. EPP, City Attorney

By: _____

THE CITY OF ESCONDIDO DOES NOT DISCRIMINATE AGAINST QUALIFIED PERSONS WITH DISABILITIES.

ATTACHMENT A SCOPE OF SERVICES

I. INTENT

The intent of this contract is to define and to authorize the various powers and duties of the Contractor for animal control in accordance with adopted statutes. These powers and duties include:

- A. Enforce the laws of the State of California, City and County relating to the care, treatment, quarantine and impounding of animals.
- B. Take up, impound and safely care for any animals for the purpose of determining if the animal's custodian is found to be in violation of adopted codes, or if the animal is found to be in need of shelter for other reasons.
- C. Collect any costs or charges adopted by the City Council for the impounding, licensing and keeping of any animal;
- D. Determine whether an animal is suitable for adoption or whether an animal should be euthanized;
- E. Administer the training of its Animal Control Officers, pursuant to Section 832 of the California Penal Code.
- F. Issue notices to appear in court pursuant to Section 830.9 of the California Penal Code.

II. SERVICES

Services to be provided by the CONTRACTOR include but are not limited to the following:

A. General Animal Control

- 1. Humanely and efficiently enforce all laws of the State of California and ordinances of the City pertaining to animal control.
- 2. Respond to emergency calls for service 24 hours a day, seven days per week. Emergency calls shall include calls regarding dangerous animals, wild animals, stray livestock, loud and disturbing animals excluding barking dogs, animal bites, arrests of persons with animals, injured animals on or adjacent to public streets and highways and other animal problems related to community health and safety.
- 3. Provide active field/patrol coverage 15 hours per day (7:00 a.m. to 10:00 p.m.), seven days per week. Provide on-call services 9 hours per day (10:00 p.m. to 7:00 a.m.).
- 4. Maintain voice-messaging services for emergencies and public inquiries during non-operational hours.
- 5. Maintain shelter hours 24 hours per day, seven days per week for feeding and care of lost, abandoned and impounded animals. Maintain shelter hours for public access from 10:00 a.m. to 6:00 p.m. seven days a week.

6. Maintain kennels and animal shelter facilities in a humane and sanitary condition at all times, in accordance with the laws of the State of California.
7. Pick up and impound stray animals in accordance with the laws of the State of California, City and County relating to the care, treatment, quarantine and impounding of animals.
8. Shelter animals consistent with approved animal control regulations. Animals not claimed after such time designated by adopted regulations shall become the property of the Contractor and may be given for adoption at the discretion of the Contractor, but may not be used for research purposes.
9. As necessary, collect, impound or dispose of wild animals that have entered the city in violation of animal control regulations.
10. Collect any and all applicable fees and maintain records for animal control services rendered in accordance with animal control regulations.
11. Investigate, respond to, and maintain record of all instances of bites and scratches according to adopted regulations and applicable laws. Inform victims and dog owners of the appropriate procedures, their rights and obligations pertaining to dog bites on humans.
12. Quarantine and monitor animals in accordance with State law. Instances of in-home quarantine shall be monitored by at least one observation visit during the quarantine period.
13. Rescue animals on public property and streets, which are injured or which pose a threat to the public.
14. Provide emergency medical care to sick and injured animals that are impounded or collected within the scope of this agreement.
15. Euthanize animals as necessary and consistent with approved animal control regulations and applicable state laws.
16. Attempt to identify impounded animals and contact registered owners, including scanning for identification chips.
17. Dispose of dead animals in a lawful manner using an animal disposal company.
18. Inspect properties, as needed in accordance with applicable animal control regulations and as consistent with constitutional protections.
19. Investigate and respond to allegations of animal neglect and cruelty.
20. Respond to barking dog and disturbance complaints with information about rights, policies and procedures.
21. Inspect private animal facilities kennels as needed.
22. Issue citations for violations of City and State animal control laws and issue notices regarding confinement and destruction of deceased or vicious animals or habitual offenders. Maintain records and prepare reports concerning violations, filing them when necessary, and testify in court concerning violations.
23. Vaccinate impounded animals against common communicable diseases as needed.

B. Law Enforcement and Code Enforcement

1. Participate in training with law enforcement, fire and code enforcement officials regarding protocol for investigating, documenting and submission of documents for prosecution.
2. Cooperate with the City in creating and fulfilling a separate procedures checklist for barking dog cases, code enforcement cases, and criminal prosecution.

C. Licensing

1. Issue dog licenses at contractor's facility in accordance with applicable County of San Diego license fee schedule.
2. Maintain a computer database of license information for City. Database shall include rabies vaccination information.
3. Provide animal license information to City in an acceptable format on a monthly basis.

D. Personnel

1. Hire qualified personnel to perform work under this Agreement with the City.
2. Adopt and practice personnel rules that conform to federal and state laws.

E. Customer Service

1. The contractor shall be responsible to ensure all contractor employees and volunteers shall deliver exceptional customer service. Contractor's employees and volunteers at all levels of the organization must make the customer the number one priority, finding customer-friendly ways to deliver quality service.
2. Perform services under this agreement consistent with customer service policies of the City and treat customers with courtesy, integrity and respect.
3. Handle complaints with diplomacy and address them promptly. Management staff shall respond to customer concerns when requested by the customer.
4. Establish written complaint procedures acceptable to the City. Complaints shall be logged into a database maintained by the Contractor and made available to City upon request.
5. Provide copies of all written policies and procedures distributed to the public to the City.

F. Reporting

1. Activities Report - Submit statistical and narrative activity reports to the City on a quarterly basis. Reports shall include the following information, and be presented in a format acceptable to the City:
 - a. Impounds – Number of forced impounds (cruelty, shelter quarantines, animals that pose a threat to persons or property), owner relinquished

impounds, stray animals (licensed, unlicensed) impounded and number of days boarded.

- b. Disposition – Number adopted, euthanized and claimed.
- c. Medical Treatment - Number of animals treated.
- d. Calls for Service – Number of calls during business hours, after hours and those classified as emergencies.
- e. Enforcement – Number of citations issued, emergency calls, investigations (bites, kennels, vicious dogs, other) and quarantines (home).
- f. Compliance – Number of vaccinations (reported), licenses (issued) and total number of animals licensed in city.
- g. Updated information on dogs identified as dangerous.
- h. Other – Information about the following:
 - Educational Programs/Efforts
 - Board Minutes pertaining to Animal Control
 - Board Members list (updated as needed)
 - Small claims actions filed and fees recovered
 - Customer complaints
 - Staffing (Provide names, contact numbers, and titles of persons performing animal control services for City on initial report. On subsequent reports include changes to this information only.)
 - Any animal control related trends that are occurring

2. Financial Reports

Provide City with quarterly financial reports related to animal control within the City. Reports shall be in a format acceptable by the City, and shall include but are not limited to the following information:

- Animal Control Revenue - Licensing revenue, impound fees, quarantine fees (home/shelter), boarding fees and other fees charged on the City's behalf.
- Animal Control Operating Expenses – Personnel costs (detail), shelter expenses, medical expense, vehicle & equipment expenses and administrative costs.

3. Inspection of records

All records evidencing services to City shall be open for examination and audit within one business day.

G. Sale of Animals for Research

The Contractor agrees not to provide animals originating in City to any facility for research purposes.

III. FACILITIES

Contractor agrees to allow facility to be available for inspection by City during normal business hours (or at a mutually agreed upon time).

ATTACHMENT B

SCOPE OF COMPENSATION

Throughout the term of this agreement, the City and Contractor shall prepare a written financial plan referencing services provided under this Agreement. The Financial Plan shall state the total gross cost, estimated revenues and the net cost for animal control services for the term of the contract. The City shall pay the Contractor the net cost for animal control services under this Agreement.

The Financial Plan shall be approved by the City Manager and Contractor prior to the beginning of each fiscal year and shall be effective for the applicable fiscal year. The Financial Plan shall be made a part of this agreement as Attachment C. Successor Financial Plans shall supersede and replace the preceding Financial Plans.

By February 15 of each fiscal year, Contractor shall provide the City with a preliminary estimate for gross costs, estimated revenues and net costs for animal control services for the next fiscal year. Contractor shall review this information with the City, along with fiscal reports for the previous four quarters that delineate costs. Where Contractor's cost centers may cross over between Humane Care and Animal Control divisions, financial reports from both divisions shall be reviewed.

The Contractor shall receive and collect license and other fees for animal control services on behalf of the City. The Contractor shall calculate annual dog license revenue and other animal control fees expected to be received and collected from residents of the City. Contractor shall keep and retain any and all license and other fees collected up to the annual estimated amount of revenue. Excess revenue above that specified in the Financial Plan shall be returned to the City or deducted from the next City billing.

In the event that the Contractor does not collect the annual estimated amount of revenue specified in the Financial Plan, the City shall pay the Contractor the difference between the estimated amount and the actual amount collected. City shall make such payment within 30 days receipt of a written invoice from Contractor. Contractor shall provide City of written notice of any revenue surplus or deficiency within thirty days after the end of the fiscal year.

ATTACHMENT C
FINANCIAL PLAN
BETWEEN THE ESCONDIDO HUMANE SOCIETY
AND THE CITY OF ESCONDIDO
FOR THE PROVISION OF ANIMAL CONTROL SERVICES

This Financial Plan, made and agreed to for the period beginning July 1, 2010, and ending June 30, 2011, between the City of Escondido ("City") and the Escondido Humane Society ("Contractor") shall become a part of the Agreement between said parties.

Contractor shall provide animal control services to the City as specified in the Agreement. The gross cost of providing animal control services to the City for one year shall be \$1,009,301. From gross costs, contractor shall deduct a \$35,026 land lease credit, \$2,226 for monthly radio fees paid by the City on behalf of Contractor and estimated revenue in the amount of \$137,000. After deducting estimated revenues and credits from gross costs, the City shall pay Contractor a net amount of \$835,049.

CITY OF ESCONDIDO

Date: _____

Lori Holt Pfeiler
Mayor

Date: _____

Marsha Whalen
City Clerk

ESCONDIDO HUMANE SOCIETY

Date: _____

Board President

Date: _____

Sally Costello
Director

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY
JEFFREY R. EPP, City Attorney

By: _____

RESOLUTION NO. 2010-91

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
APPROVING AN ANIMAL CONTROL
SERVICES AGREEMENT WITH THE
ESCONDIDO HUMANE SOCIETY AND
AUTHORIZING THE MAYOR AND CITY
CLERK TO EXECUTE CONTRACT
DOCUMENTS ON BEHALF OF THE CITY

WHEREAS, it has been determined to be in the City's best interest to retain the professional services of an organization to enforce the laws of the State of California relating to the care, treatment, quarantine and impounding of animals; and

WHEREAS, since July 1, 2003, the City has entered into agreements with the Escondido Humane Society to provide animal control and sheltering services for the City of Escondido; and

WHEREAS, on June 3, 2009, City Council adopted Resolution 2009-70 approving an agreement through June 30, 2010; and

WHEREAS, the City and the Escondido Humane Society agree to enter into a new agreement to continue services through June 30, 2011;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the Mayor and City Clerk are hereby authorized to execute, on behalf of the City, an Animal Control Services Agreement ("Agreement") with the Escondido Humane Society from July 1, 2010, through June 30, 2011. A copy of the Agreement is attached to this resolution as Exhibit "A" and is incorporated by this reference.



CITY OF ESCONDIDO
Animal Control Services Agreement

This Agreement is made this _____ day of _____, 2010.

Between: CITY OF ESCONDIDO
a Municipal Corporation
201 N. Broadway
Escondido, California 92025
("CITY")

And: Escondido Humane Society
A California Non-profit Corporation
3450 E. Valley Parkway
Escondido, CA 92027
Attn: Sally Costello
760-888-2201
("CONTRACTOR")

Witness that whereas:

- A. It has been determined to be in the CITY's best interest to retain professional services to provide animal control and sheltering services; and
- B. CONTRACTOR is considered competent to perform the necessary professional services for CITY;

NOW, THEREFORE, it is mutually agreed by and between CITY and CONTRACTOR as follows:

1. Description of Services. CONTRACTOR will furnish animal control services as described in "Attachment A" which is attached and incorporated by this reference. The scope of services may be modified periodically at the mutual written agreement of both parties. CONTRACTOR also provides humane sheltering and adoption services as part of its mission as a non-profit organization. These services are outside the scope and compensation of this Agreement, and both parties acknowledge CONTRACTOR's independent authority and autonomy over the delivery of such humane sheltering and adoption services.
2. Term and Time of Performance. This Agreement shall commence on July 1, 2010 and shall terminate on June 30, 2011, unless it is renewed by mutual written agreement of the parties.
3. Compensation. The CITY will pay CONTRACTOR in accordance with the conditions specified in "Attachment B" and "Attachment C". No compensation will be provided for

any other tasks without specific prior written consent from the CITY. Payments shall occur monthly, within 30 days of receipt by the CITY of a written invoice from the CONTRACTOR. Any breach of this Agreement will relieve CITY from the obligation to pay CONTRACTOR, if CONTRACTOR has not corrected the breach after CITY provides notice and a reasonable time to correct it.

4. Performance. CONTRACTOR will faithfully perform all services in a proficient manner, to the satisfaction of the CITY.
5. Controlling Ordinance. The provision of the services under this Agreement within CITY's jurisdictional limits is presently governed by Section 4 of the Escondido Municipal Code, and by Chapters 6 and 7 of Division 2 of Title 6 of the San Diego County Code of Regulatory Ordinances ("County Ordinance"). This Agreement shall be carried out consistent with such laws. Exceptions and additions to the County Ordinance and the Municipal Code shall be made at CITY's sole discretion, with notice to CONTRACTOR of any such changes.
6. Records: All records generated by CONTRACTOR pursuant to this agreement shall be open for the CITY'S inspection during reasonable business hours.
7. Confidentiality. All information received by CONTRACTOR from the City that relates to the City's nonpublic information shall be considered confidential, as will information clearly marked "confidential." CONTRACTOR shall make every effort to refrain from disclosing or selling such confidential information to anyone but personnel who are performing services for the CITY under this Agreement. The City's dog licensing database is information that shall be kept confidential and not be disclosed without written consent of the CITY. CITY shall notify CONTRACTOR of any additional information provided to CONTRACTOR by the CITY that the CITY considers confidential.
8. Insurance.
 - a. The CONTRACTOR shall secure and maintain at its own cost, for all operations, the following insurance coverage, unless reduced by the City Attorney:
 - (1) General liability insurance. Occurrence basis with minimum limits of \$1,000,000 each occurrence, \$2,000,000 General Aggregate, and \$1,000,000 Products/Completed Operations Aggregate; and
 - (2) Automobile liability insurance of \$1,000,000 combined single-limit per accident for bodily injury and property damage, unless waived as provided in 8(b) below; and
 - (3) Workers' compensation and employer's liability insurance as required by the California Labor Code, as amended, or certificate of sole proprietorship; and
 - (4) Errors and Omissions professional liability insurance with minimum coverage of \$1,000,000.
 - b. Each insurance policy required above must be acceptable to the City Attorney.
 - (1) Each policy must provide for written notice within no more than thirty (30) days if cancellation or termination of the policy occurs. Insurance coverage must be provided by an A.M. Best's A- rated, class V carrier or better, admitted in

California, or if non-admitted, a company that is not on the Department of Insurance list of unacceptable carriers.

- (2) All non-admitted carriers will be required to provide a service of suit endorsement in addition to the additional insured endorsement.
 - (3) Both the General Liability and the Automobile Liability policies must name the CITY specifically as an additional insured under the policy on a separate endorsement page. The CITY includes its officials, employees, and volunteers. The endorsement must be ISO Form CG 20 10 11 85 edition or its equivalent for General Liability endorsements and CA 20 01 for Automobile Liability endorsements.
 - (4) The General Liability policy must include coverage for bodily injury and property damage arising from CONTRACTOR's work, including its on-going operations and products-completed operations hazard.
 - (5) The General Liability policy must be primary and noncontributory and any insurance maintained by CITY is excess.
 - c. In executing this Agreement, CONTRACTOR agrees to have completed insurance documents on file with the CITY within fourteen (14) days after the date of execution. Failure to comply with insurance requirements under this Agreement will be a material breach of this Agreement, resulting in immediate termination at CITY's option.
9. Indemnification. CONTRACTOR, which includes its agents, employees and subcontractors, if any, agrees to indemnify, defend, and hold harmless the CITY from all claims, lawsuits, damages, judgments, loss, liability, or expenses, including attorneys' fees, for any of the following:
- a. Any claim of liability arising out of the negligence or any acts or omissions of CONTRACTOR in the performance of this Agreement;
 - b. Any personal injuries, property damage or death that CONTRACTOR may sustain while using CITY-controlled property or equipment, while participating in any activity sponsored by the CITY, or from any dangerous condition of property; or
 - c. Any injury or death which results or increases by any action taken to medically treat CONTRACTOR, or its agents, employees, or subcontractors.
10. Anti-Assignment Clause. The CONTRACTOR may not assign, delegate or transfer any interest or duty under this Agreement without advance written approval of the CITY, and any attempt to do so will immediately render this entire Agreement null and void.
11. Costs and Attorney's Fees. In the event that legal action is required to enforce the terms and conditions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs.
12. Independent Contractor. CONTRACTOR is an independent contractor and no agency or employment relationship, either express or implied, is created by the execution of this Agreement.
13. Contractor Employees Are Not City Employees. Only CONTRACTOR's employees shall perform the services and functions described in this Agreement. CONTRACTOR's employees shall be entitled solely to the rights and privileges given to CONTRACTOR's

employees and shall not be entitled to any additional rights and privileges given to CITY employees. CITY shall not be liable for the direct payment of any salaries, wages, or other compensation to any of CONTRACTOR's employees performing services under this Agreement. The CITY shall not be liable for Worker's Compensation or indemnity to any of CONTRACTOR's employees for injury or sickness or other claims arising out of his or her employment, except for claims or liability arising from the misconduct of the CITY, its agents, officers or employees.

14. Duties. CONTRACTOR shall be responsible for the diligent performance of all of its obligations under this Agreement. For the purposes of performing these functions, the CONTRACTOR shall furnish and supply all necessary personnel, labor, supervision, equipment and supplies necessary to maintain the level of service to be rendered under this Agreement. CITY shall have the right to visit and inspect equipment and facilities used by CONTRACTOR.
15. Breach. CITY shall give written notice to CONTRACTOR of any alleged breach of this Agreement and CONTRACTOR shall have thirty (30) days to correct the breach and to describe to CITY in writing the corrective measures taken. If after thirty (30) days the alleged breach continues, it shall be determined a material breach.
16. Termination. Either CONTRACTOR or the CITY may terminate this Agreement for cause with thirty (30) days advance written notice. In the event of such termination, the CITY shall pay CONTRACTOR for services rendered, with the net cost to be pro-rated for the actual time of service.
17. Merger Clause. This Agreement and its Attachments, if any, are the entire understanding of the parties, and there are no other terms or conditions, written or oral, controlling this matter. In the event of any conflict between the provisions of this Agreement and any of its Attachments, the provisions of this Agreement must prevail.
18. Anti-Waiver Clause. None of the provisions in this Agreement will be waived by CITY because of previous failure to insist upon strict performance, nor will any provision be waived by CITY because any other provision has been waived, in whole or in part.
19. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provisions of this Agreement.
20. Choice of Law. This Agreement is governed by the laws of the State of California. Venue for all actions arising from this Agreement must be exclusively in the state (North County) or federal courts located in San Diego County, California.
21. Multiple Copies of Agreement/Counterparts. Multiple copies and/or counterparts of this Agreement may be executed, including duplication by photocopy or by computerized scanning device. Each duplicate will be deemed an original with the same effect as if all the signatures were on the same instrument. However, the parties agree that the Agreement on file in the office of the Escondido City Clerk is the copy of the Agreement that shall take precedence should any differences exist among copies or counterparts of the document.
22. Provisions Cumulative. The foregoing provisions are cumulative and in addition to and not in limitation of any other rights or remedies available to the CITY.

23. Notices to Parties. Any statements, communications or notices to be provided pursuant to this Agreement must be sent to the attention of the persons indicated below. Each party agrees to promptly send notice of any changes of this information to the other party, at the address first above written.

CONTRACTOR:
Escondido Humane Society
3450 E. Valley Parkway
Escondido, CA 92027
Attn: Sally Costello
(760) 888-2201

CITY:
City of Escondido
201 N. Broadway
Escondido, CA 92025
Attn: Gail Sullivan
(760) 839-4587

24. Business License. The CONTRACTOR is required to obtain a City of Escondido Business License prior to execution of this Agreement.
25. Compliance with Applicable Laws, Permits and Licenses. CONTRACTOR shall keep itself informed of and comply with all applicable federal, state, and local laws, statutes, codes, ordinances, regulations, and rules in effect during the term of this Agreement. CONSULTANT shall obtain any and all licenses, permits, and authorizations necessary to perform services set forth in this Agreement. Neither CITY, nor any elected nor appointed boards, officers, officials, employees, or agents of CITY shall be liable, at law or in equity, as a result of any failure of CONTRACTOR to comply with this section.
26. Immigration Reform and Control Act of 1986. CONTRACTOR shall keep itself informed of and comply with the Immigration Reform and Control Act of 1986. CONTRACTOR affirms that as an employer in the State of California, all new employees must produce proof of eligibility to work in the United States within the first three days of employment and that only employees legally eligible to work in the United States will be employed on this public project. CONTRACTOR agrees to comply with such provisions before commencing and continuously throughout the performance of this Agreement.

IN WITNESS WHEREOF, the parties below are authorized to act on behalf of their organizations, and have executed this Agreement as of the date set forth below.

CITY OF ESCONDIDO

Date: _____

Lori Holt Pfeiler
Mayor

Date: _____

Marsha Whalen
City Clerk

CONTRACTOR

Date: _____

Board President

Date: _____

Sally Costello
Executive Director

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY
JEFFREY R. EPP, City Attorney

By: _____

THE CITY OF ESCONDIDO DOES NOT DISCRIMINATE AGAINST QUALIFIED PERSONS WITH DISABILITIES.

ATTACHMENT A SCOPE OF SERVICES

I. INTENT

The intent of this contract is to define and to authorize the various powers and duties of the Contractor for animal control in accordance with adopted statutes. These powers and duties include:

- A. Enforce the laws of the State of California, City and County relating to the care, treatment, quarantine and impounding of animals.
- B. Take up, impound and safely care for any animals for the purpose of determining if the animal's custodian is found to be in violation of adopted codes, or if the animal is found to be in need of shelter for other reasons.
- C. Collect any costs or charges adopted by the City Council for the impounding, licensing and keeping of any animal;
- D. Determine whether an animal is suitable for adoption or whether an animal should be euthanized;
- E. Administer the training of its Animal Control Officers, pursuant to Section 832 of the California Penal Code.
- F. Issue notices to appear in court pursuant to Section 830.9 of the California Penal Code.

II. SERVICES

Services to be provided by the CONTRACTOR include but are not limited to the following:

A. General Animal Control

- 1. Humanely and efficiently enforce all laws of the State of California and ordinances of the City pertaining to animal control.
- 2. Respond to emergency calls for service 24 hours a day, seven days per week. Emergency calls shall include calls regarding dangerous animals, wild animals, stray livestock, loud and disturbing animals excluding barking dogs, animal bites, arrests of persons with animals, injured animals on or adjacent to public streets and highways and other animal problems related to community health and safety.
- 3. Provide active field/patrol coverage 15 hours per day (7:00 a.m. to 10:00 p.m.), seven days per week. Provide on-call services 9 hours per day (10:00 p.m. to 7:00 a.m.).
- 4. Maintain voice-messaging services for emergencies and public inquiries during non-operational hours.
- 5. Maintain shelter hours 24 hours per day, seven days per week for feeding and care of lost, abandoned and impounded animals. Maintain shelter hours for public access from 10:00 a.m. to 6:00 p.m. seven days a week.

6. Maintain kennels and animal shelter facilities in a humane and sanitary condition at all times, in accordance with the laws of the State of California.
7. Pick up and impound stray animals in accordance with the laws of the State of California, City and County relating to the care, treatment, quarantine and impounding of animals.
8. Shelter animals consistent with approved animal control regulations. Animals not claimed after such time designated by adopted regulations shall become the property of the Contractor and may be given for adoption at the discretion of the Contractor, but may not be used for research purposes.
9. As necessary, collect, impound or dispose of wild animals that have entered the city in violation of animal control regulations.
10. Collect any and all applicable fees and maintain records for animal control services rendered in accordance with animal control regulations.
11. Investigate, respond to, and maintain record of all instances of bites and scratches according to adopted regulations and applicable laws. Inform victims and dog owners of the appropriate procedures, their rights and obligations pertaining to dog bites on humans.
12. Quarantine and monitor animals in accordance with State law. Instances of in-home quarantine shall be monitored by at least one observation visit during the quarantine period.
13. Rescue animals on public property and streets, which are injured or which pose a threat to the public.
14. Provide emergency medical care to sick and injured animals that are impounded or collected within the scope of this agreement.
15. Euthanize animals as necessary and consistent with approved animal control regulations and applicable state laws.
16. Attempt to identify impounded animals and contact registered owners, including scanning for identification chips.
17. Dispose of dead animals in a lawful manner using an animal disposal company.
18. Inspect properties, as needed in accordance with applicable animal control regulations and as consistent with constitutional protections.
19. Investigate and respond to allegations of animal neglect and cruelty.
20. Respond to barking dog and disturbance complaints with information about rights, policies and procedures.
21. Inspect private animal facilities kennels as needed.
22. Issue citations for violations of City and State animal control laws and issue notices regarding confinement and destruction of deceased or vicious animals or habitual offenders. Maintain records and prepare reports concerning violations, filing them when necessary, and testify in court concerning violations.
23. Vaccinate impounded animals against common communicable diseases as needed.

B. Law Enforcement and Code Enforcement

1. Participate in training with law enforcement, fire and code enforcement officials regarding protocol for investigating, documenting and submission of documents for prosecution.
2. Cooperate with the City in creating and fulfilling a separate procedures checklist for barking dog cases, code enforcement cases, and criminal prosecution.

C. Licensing

1. Issue dog licenses at contractor's facility in accordance with applicable County of San Diego license fee schedule.
2. Maintain a computer database of license information for City. Database shall include rabies vaccination information.
3. Provide animal license information to City in an acceptable format on a monthly basis.

D. Personnel

1. Hire qualified personnel to perform work under this Agreement with the City.
2. Adopt and practice personnel rules that conform to federal and state laws.

E. Customer Service

1. The contractor shall be responsible to ensure all contractor employees and volunteers shall deliver exceptional customer service. Contractor's employees and volunteers at all levels of the organization must make the customer the number one priority, finding customer-friendly ways to deliver quality service.
2. Perform services under this agreement consistent with customer service policies of the City and treat customers with courtesy, integrity and respect.
3. Handle complaints with diplomacy and address them promptly. Management staff shall respond to customer concerns when requested by the customer.
4. Establish written complaint procedures acceptable to the City. Complaints shall be logged into a database maintained by the Contractor and made available to City upon request.
5. Provide copies of all written policies and procedures distributed to the public to the City.

F. Reporting

1. Activities Report - Submit statistical and narrative activity reports to the City on a quarterly basis. Reports shall include the following information, and be presented in a format acceptable to the City:
 - a. Impounds – Number of forced impounds (cruelty, shelter quarantines, animals that pose a threat to persons or property), owner relinquished

impounds, stray animals (licensed, unlicensed) impounded and number of days boarded.

- b. Disposition – Number adopted, euthanized and claimed.
- c. Medical Treatment - Number of animals treated.
- d. Calls for Service – Number of calls during business hours, after hours and those classified as emergencies.
- e. Enforcement – Number of citations issued, emergency calls, investigations (bites, kennels, vicious dogs, other) and quarantines (home).
- f. Compliance – Number of vaccinations (reported), licenses (issued) and total number of animals licensed in city.
- g. Updated information on dogs identified as dangerous.
- h. Other – Information about the following:
 - Educational Programs/Efforts
 - Board Minutes pertaining to Animal Control
 - Board Members list (updated as needed)
 - Small claims actions filed and fees recovered
 - Customer complaints
 - Staffing (Provide names, contact numbers, and titles of persons performing animal control services for City on initial report. On subsequent reports include changes to this information only.)
 - Any animal control related trends that are occurring

2. Financial Reports

Provide City with quarterly financial reports related to animal control within the City. Reports shall be in a format acceptable by the City, and shall include but are not limited to the following information:

- Animal Control Revenue - Licensing revenue, impound fees, quarantine fees (home/shelter), boarding fees and other fees charged on the City's behalf.
- Animal Control Operating Expenses – Personnel costs (detail), shelter expenses, medical expense, vehicle & equipment expenses and administrative costs.

3. Inspection of records

All records evidencing services to City shall be open for examination and audit within one business day.

G. Sale of Animals for Research

The Contractor agrees not to provide animals originating in City to any facility for research purposes.

III. FACILITIES

Contractor agrees to allow facility to be available for inspection by City during normal business hours (or at a mutually agreed upon time).

ATTACHMENT B

SCOPE OF COMPENSATION

Throughout the term of this agreement, the City and Contractor shall prepare a written financial plan referencing services provided under this Agreement. The Financial Plan shall state the total gross cost, estimated revenues and the net cost for animal control services for the term of the contract. The City shall pay the Contractor the net cost for animal control services under this Agreement.

The Financial Plan shall be approved by the City Manager and Contractor prior to the beginning of each fiscal year and shall be effective for the applicable fiscal year. The Financial Plan shall be made a part of this agreement as Attachment C. Successor Financial Plans shall supersede and replace the preceding Financial Plans.

By February 15 of each fiscal year, Contractor shall provide the City with a preliminary estimate for gross costs, estimated revenues and net costs for animal control services for the next fiscal year. Contractor shall review this information with the City, along with fiscal reports for the previous four quarters that delineate costs. Where Contractor's cost centers may cross over between Humane Care and Animal Control divisions, financial reports from both divisions shall be reviewed.

The Contractor shall receive and collect license and other fees for animal control services on behalf of the City. The Contractor shall calculate annual dog license revenue and other animal control fees expected to be received and collected from residents of the City. Contractor shall keep and retain any and all license and other fees collected up to the annual estimated amount of revenue. Excess revenue above that specified in the Financial Plan shall be returned to the City or deducted from the next City billing.

In the event that the Contractor does not collect the annual estimated amount of revenue specified in the Financial Plan, the City shall pay the Contractor the difference between the estimated amount and the actual amount collected. City shall make such payment within 30 days receipt of a written invoice from Contractor. Contractor shall provide City of written notice of any revenue surplus or deficiency within thirty days after the end of the fiscal year.

ATTACHMENT C**FINANCIAL PLAN
BETWEEN THE ESCONDIDO HUMANE SOCIETY
AND THE CITY OF ESCONDIDO
FOR THE PROVISION OF ANIMAL CONTROL SERVICES**

This Financial Plan, made and agreed to for the period beginning July 1, 2010, and ending June 30, 2011, between the City of Escondido ("City") and the Escondido Humane Society ("Contractor") shall become a part of the Agreement between said parties.

Contractor shall provide animal control services to the City as specified in the Agreement. The gross cost of providing animal control services to the City for one year shall be \$1,009,301. From gross costs, contractor shall deduct a \$35,026 land lease credit, \$2,226 for monthly radio fees paid by the City on behalf of Contractor and estimated revenue in the amount of \$137,000. After deducting estimated revenues and credits from gross costs, the City shall pay Contractor a net amount of \$835,049.

CITY OF ESCONDIDO

Date: _____

Lori Holt Pfeiler
Mayor

Date: _____

Marsha Whalen
City Clerk**ESCONDIDO HUMANE SOCIETY**

Date: _____

Board President

Date: _____

Sally Costello
Director

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY
JEFFREY R. EPP, City Attorney

By: _____