

PERSONNEL AND ANIMAL WELFARE COMMITTEE REPORT relative to the operation of the North East Valley Animal Shelter by Best Friends Animal Society.

Recommendation for Council action:

NOTE and FILE the September 12, 2012 and April 22, 2014 Department of Animal Services (DAS) reports relative to the operation of the North East Valley Animal Shelter by Best Friends Animal Society.

Fiscal Impact Statement: Not applicable.

Community Impact Statement: None submitted.

Summary:

On October 16, 2012, your Committee considered a September 12, 2012 DAS report relative to the operation of the North East Valley Animal Shelter by Best Friends Animal Society. According to the DAS, with the passage of the November 2000 Proposition F Bond Program, voters approved an ambitious building program for fire stations and animal shelters. For the DAS, this meant 17 projects to replace, renovate, or build new shelters totaling nearly \$190 million. However, over the span of 12 years, the City's finances changed drastically. Shelters like the new North East Valley (NEV) site that were planned to be staffed by City employees now faced the prospect of being shuttered because of staffing shortages. During this time, DAS employee levels dropped from a high of 357 in 2008-09 to 318 this year, a drop of 11 percent. This economic downturn made it impossible for the City to fund the operation of all its shelters. Yet, residents expected Animal Services to save more animals' lives and lead Los Angeles to becoming a "no kill" city.

The City's finances have changed dramatically since 2000. Rising health and pension costs, and salaries, along with revenue reductions attributable to a poor economy have affected staffing levels significantly. While voter-approved bond financing provided the DAS with opportunities to build, improve and increase its shelter capacity, fewer employees meant not being able to staff a brand new facility, the North East Valley Animal Shelter. The consequences of mothballing a new shelter posed many challenges to include: 1) Reduction in services; 2) Reduction in services to a Council District; and 3) the public perception that taxpayers' dollars were not being maximized.

Because staffing the new shelter with DAS employees was out of the question, finding a private contractor to provide adoption and sterilization services was a smart alternative. The DAS, working with the City Administrative Officer (CAO), released a Request For Information (RFI) for these services, which culminated in a contract with the Best Friends Animal Society in January 2012. Current budgetary conditions forced the City to review short and long-term changes to address the City's structural deficit.

On January 29, 2010 the CAO released a three-year plan to achieve fiscal sustainability. In this report, the option of a public-private partnership to operate an animal shelter was recommended. Other alternatives were to 1) Close the NEV; 2) Use the NEV as a special operations center; 3) Open the NEV as a fully operational animal shelter; 4) Spread departmental staff evenly across seven shelters (six existing and the new NEV); 5) Contract out existing services; and 6) Authorize a contract for the operations of NEV. Option 6 was recommended because it was cost neutral and the City

gained \$3.3 million in services (Council File No. 11-0600-S135; it would cost the City \$2.8 million in salary and \$500,000 in expenses to run the NEV).

The other alternatives were less desirable because they either saved money and reduced services, cost more, or violated union Memorandum of Understandings (MOUs). For example, if Option 5 was selected and a contractor provided medical services that resulted in lay-offs, DAS would violate the MOU passage that forbids contracting union work that would result in unemployment.

Subsequently, on January 10, 2011 the CAO released the RFI with responses due on February 26, 2011. The City received one response: Best Friends Animal Society. After reviewing the proposal, the DAS and CAO determined that Best Friends was capable of providing services at the NEV and a partnership would provide services to the benefit of City residents and at a limited cost to the City. Best Friends, headquartered in Utah, had a long history working with the City, beginning in the early 1990s and began collaborating directly with Animal Services in 1998. In 1999, Best Friends held its first "Super Adoption" event aimed at placing Los Angeles shelter animals, amongst others, in new homes and with rescue organizations. Best Friends has hosted over 25 Super Adoptions since then as well as shelter adoption events that have placed an estimated 8,000 homeless pets in new homes. Under the contract that was signed in January 2012, Best Friends is obligated to take approximately 3,000 animals annually from the Department for adoptions and is aiming to perform approximately 6,000 spay/neuter surgeries.

The DAS then provided an overview of Best Friend's activities and a detailed listing is included in the September 14, 2012 DAS report and answered questions from the Committee members. After consideration, and having provided an opportunity for public comment, the Committee moved to continue this matter to permit the DAS to respond to a number of questions raised by the Committee.

On May 20, 2014, the Committee considered an April 22, 2014 DAS report in response to the Committee's questions. According to the DAS, on October 16, 2012, the Committee raised questions regarding the services provided at the NEV and the savings attributed to having a private organization run that facility. According to the CAO in its August 2, 2011 report, the CAO stated that contracting out NEV operations would be cost-neutral to the City and it would gain \$3.3 million in services (Council File No. 11-0600-S135). The Committee thought this amount was overstated since Best Friends does not provide all services, such as field enforcement, provided at the City's other six shelters. It is important to note that the cost of Animal Control Officers' (ACOs) was never part of the \$3.3 million in services. Of the \$3.3 million in services, \$2.0 million represented 33 kennel and medical employees and five clerical staff.

The Committee also asked how many ACOs would typically be stationed at a shelter. Two shifts would require nine officers plus five new vehicles (\$60,000 each). There are six animal shelters citywide, or seven facilities total when taking the NEV into account. With respect to the deployment of 63 authorized Animal Control Officers, the San Fernando Valley is roughly divided in half by the 405 Freeway. Also, there are two San Fernando Valley-based shelters: one in the West Valley and the other in the East Valley. When animal-related calls are received, the dispatcher will deploy staff based on zip codes. 19 zip codes are in the West Valley district and 23 are assigned to East Valley. Deploying an officer is based on priority: a loose, potentially dangerous animal in one zip code will get a higher priority than a request to investigate a barking dog complaint. These business practices are followed to ensure that services are provided equitably across the City, given that not every Council District will have its own shelter.

After consideration and having provided an opportunity for public comment, the Committee moved to

note and file the two DAS reports. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

PERSONNEL AND ANIMAL WELFARE COMMITTEE

MEMBER **VOTE**

KORETZ: YES

O'FARRELL: YES

FUENTES: YES

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5/20/14

-NOT OFFICIAL UNTIL COUNCIL ACTS-