

5/18/10 AO
Item # 7
Briefing 2010-60100
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Joint Cities-County Work Group for Regional Animal Services

Background/Introduction on Agreement in Principle to Provide a Regional System

Animal control, sheltering and licensing are discretionary local services that historically were provided by individual jurisdictions and King County. While discretionary, the services address public health, safety, and animal welfare outcomes that are important to our residents. After being approached by leadership of the Suburban Cities Association in the mid 1980s, King County agreed to provide animal control, sheltering and licensing functions on behalf of cities on a regional basis, in exchange for keeping all pet licensing revenue.

Current Service Arrangements

Thirty-five cities have an animal services contract with the County (Seattle, Renton, Skykomish and Milton do not have contracts). Most cities contract for all three service components: control, shelter, and licensing. Two cities contract for shelter only (Des Moines, Normandy Park); one city contracts for shelter and field only (Newcastle). Five cities currently purchase a higher level of animal control services (Auburn, Shoreline, Kirkland, Tukwila, SeaTac).

The service arrangement has not been revisited since its inception and, over time, the gap between system revenue and system cost has grown to a level that is not sustainable for the County. In recent years, the County has contributed in excess of \$2 million annually from the County general fund to support the services. Based on direction from the County Council to enter into new cost-recovery arrangements with the cities, the County recently issued termination letters to cities for the existing animal services contracts, effective July 1, 2010.

Joint Cities-County Work Group

In anticipation of the termination of contracts, a "Joint Cities-County Work Group for Regional Animal Services" has been meeting since January to develop a proposed "Agreement in Principle" for a new regional animal control system. This "Agreement in Principle" is intended to define a new basis for animal services contracts that could, if adopted by a sufficient number of cities, preserve the benefits of a regional animal services system (see Attachment 1). The alternative to a regional model is that cities will have to either operate their own individual systems or create subregional arrangements for service delivery. Under any delivery option – local, subregional or regional – cities will have to begin paying something for animal services to continue.

As the Work Group reviewed data about the present system, it became clear that cities face very different circumstances with respect to animal services: some are very heavy users of the shelter and control operations; others use it much less. The reasons could relate to demographics, behavior, the geographic proximity of the County shelter or nonprofit shelters, or some combination of factors. The licensing revenue generated by the system

also varies dramatically among jurisdictions on a per capita basis, in part based on where the County has in the past focused marketing efforts.

Economies of scale exist in providing animal services: the more cities that participate in a regional system, the lower the costs are for everyone. Conversely, if the geographic distribution of cities participating in the regional system starts to look like a patchwork, the service delivery becomes more challenging and inefficient; at some point, the County will not be willing or able to effectively provide service.

Summary of the Agreement in Principle

The “Agreement in Principle” represents a departure from “business as usual” in the delivery of animal services by the County (see Attachment 2). The primary difference in **control** services will be having animal control officers dedicated to each of four districts 5-days per week (see Attachment 3), while allowing cities individually or collectively within each district to contract for higher levels of service. Operations at the Kent **shelter** will be improved with limited resources through closing the Crossroads shelter and concentrating staff resources in Kent, expanding the foster and volunteer network, and instituting practices to reduce the number of animals and their length of stay (such as fees for owner surrenders, utilizing capacity at PAWS, and seeking collaboration with other private animal welfare partners). **Licensing** functions will continue to include licensing administration as well as marketing and education, with more incentive for cities to participate in increasing licensing revenues.

The proposed system costs to be allocated are \$5.6 million (annualized for 2010 – see Attachment 4). This reflects a reduction of about \$800,000 from estimates provided to cities in early 2010, achieved through cost reductions and the County absorbing some costs. The “Agreement in Principle” seeks to balance the different situations of cities by proposing a cost allocation methodology based on both population and usage factors (a 50-50 split). Licensing revenues (\$3.2 million) are credited to jurisdictions based on the residence of the person buying a pet license. A variety of allocations were considered before arriving at this methodology. The County is proposing to provide transitional funding to those participating cities that have the highest per capita costs. The County is also proposing to provide enhanced licensing marketing support for cities with the lowest licensing revenue per capita.

The Agreement in Principle proposes a 2.5 year agreement, during which time the parties, through a Joint Cities-County Committee, will focus on increasing system revenue and - reducing system costs. The Agreement in Principle identifies several of these collaborative initiatives, including an exploration of alternative licensing systems and ways to further reduce shelter operation needs. Parties would be allowed to terminate for convenience upon six months notice. Contracts could be extended by mutual agreement for an additional 2 years.

The Work Group concluded that to maximize system efficiency, a “menu” approach to the purchase of services is not practicable. For example, it is not efficient for a limited number of field officers to drop animals at multiple shelters. Similarly, the more licensing systems

or different field systems the County shelter must interface with, the greater the administrative complexities, inefficiencies, and costs.

The Agreement in Principle is described in the attached tables and map, together with a timeline and steps for adoption, and related information.

Attachments:

1. Benefits of a Regional System
2. Outline of Terms for Agreement in Principle
3. Map of Control Districts
4. Estimated Annualized 2010 Regional Program Cost Allocation
5. Frequently Asked Questions
6. Timeline

“Regional Animal Services of King County”

Benefits of a Regional Animal Services System

Public Health and Safety

- Provides the ability to identify and track rabies and other public health issues related to animals on a regional basis. Reduces public health threats through routine vaccination of animals.
- Provides capacity to handle unusual and multi-jurisdictional events involving animals that often require specialized staff such as: horse cruelty, animal hoarding, loose livestock, dog-fighting and cock-fighting groups, puppy mills, illegal reptile vendor operations, animal necropsies and quarantine, holding of animals as evidence in criminal cases, and retrieval of dead animals.

Animal Welfare

- Reduces pressure on non-profit shelters by maintaining capacity at regional public shelters. Non-profit animal welfare organizations contribute significantly through their own capacity and by accepting transfer of public-sheltered animals for care and adoption, thereby reducing costs at public shelters.
- Provides for participation of a large corps of volunteers and foster homes.
- Provides capacity for regional response to animal cruelty cases.
- Provides regional preparedness planning and coordination during emergencies and disasters.
- Provides additional regional capacity for seasonal events such as “kitten season”.
- Avoids competition across jurisdictions for sheltering space and comparisons across jurisdictions on outcome statistics.

Customer Service

- Provides a single access point for residents searching for a lost pet or seeking help from animal control. Provides one single point of contact for citizen complaints.
- Maintains a uniform pet licensing program that is simpler for the public to access and understand, with a broad range of services to encourage licensing: marketing, partnering with third parties on points of sale for licenses, canvassing, database management, and the ability to return animals to owners in the field.

Effective and Efficient Provision of Services

- Provides a low-cost spay and neuter program that serves the entire region, and is the key to reducing the population of homeless animals and reducing the costs of the system over time.
- Reduces the demand on individual jurisdictions to respond to communications from the media, advocacy groups and other interested parties.
- Builds economies of scale to provide a full range of services, making it less expensive to develop operations, training, licensing, and care programs than it would be for cities to duplicate services at the local level.
- Use of volunteers and partnerships with private animal welfare organizations provide our region with the ability to promote the most humane treatment with limited public resource.
- Provides a consistent level of service, humane animal care, and regulatory approach countywide.
- Allows local police agencies to focus on traditional law enforcement.

OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE

LICENSING

SHELTER

CONTROL

TBD

TBD

TBD

Parties

Assumes the following cities do not participate:
Federal Way, Seattle, Renton, Des Moines, Normandy Park, Medina, Skykomish, Milton

Services

4 districts, each staffed with 1 Animal Control Officer, 5-day/week, 8-hour/day.
6 total officers to cover sick leave, vacation leave, other. Cities may coordinate sub-regionally to purchase higher level of service (specific service options TBD).
Regionally shared resources: 1 field sergeant; 1 animal cruelty sergeant; 3 FTE call center open 5-day/8-hour, after hours dispatch through Sheriff's Office.

Cost Allocation

Allocate one quarter of total costs to each district.
Within each district, allocate costs to jurisdictions by combination of usage (calls for service) and population (50% usage/ 50% population).
Control revenues (e.g., fines for control violations) netted from total control costs before allocating costs.

Revenue Allocation

Control revenues (e.g., fines for control violations) netted from total control costs before allocating costs.

Bothell, Woodinville, Lake Forest Park, Shoreline, Kenmore ("Northern Cities") will contract for primary shelter services with PAWS (a nonprofit shelter located in Lynnwood). The County will also seek to contract with PAWS for sheltering of animals from part of the north County unincorporated area.

- Humane standards of care
- Kent Shelter remains open
- Crossroads Shelter closes
- PAWS serves Northern Cities under separate contract
- Seek future partnerships for adoption, technical assistance with other nonprofit animal welfare organizations

Allocate costs by combination of usage (shelter intake) and population (50% usage/50% population).
Northern Cities pay half of the population-based factor for regional system benefits associated with shelter.

Shelter revenues (e.g., adoption fees, microchip fees, impound fees) netted from total shelter costs before allocating costs.

Administration of licensing system; marketing, education and outreach to maintain and increase licensing sales.
County will absorb costs of using mainframe IT system.

Allocate by usage and population (50% usage/50% population).

Licensing penalty revenue netted from total licensing costs before allocating costs. Regular licensing fees allocated to jurisdiction of resident buying license.

**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES
OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE**

<p>Payment Method/ Timing</p>	<p>Payment for July-December 2010 services due January 2011. Estimated fees for July-December 2010 service based on 50% of estimated annualized 2010 regional program cost allocation. For services in 2011 and 2012, semi-annual payments due June 15 and December 15, estimated based on Reconciliation calculated each June based on prior year's actual usage, allocable actual costs and actual revenues. Reconciliation amounts will be payable on August 15. Reconciliation for 2010 fees (calculated in June 2011) based on half of estimated annualized 2010 regional program cost allocation, and actual July-December revenues and usage.</p>
<p>Cost Inflation Cap</p>	<p>The total cost for control, shelter and licensing collectively allocable to the cities (excluding any costs associated with purchases by cities of additional services) will not increase by more than inflation plus population growth per year.</p>
<p>Contract term and termination provisions</p>	<p>Contract Term: 2½ years: July 1, 2010 through December 31, 2012</p> <ul style="list-style-type: none"> ▪ 6 month termination for convenience notice (can be used on day one or at back end of contract). ▪ Transitional support provided by County for cities with highest cost or lowest revenue per capita; only available to cities contracting for full 2.5 year term. ▪ County reserves right to terminate services for areas/services if too many cities withdraw making continuation of service delivery to remaining areas impracticable (e.g., lack of contiguous service area, impracticability in linkages between field and sheltering, records management challenges). ▪ Option to extend service contract for 2 additional years upon mutual agreement.
<p>Services Purchased</p>	<p>Cities must purchase all three services from the County under the contract. Limited exception will be made as follows:</p> <ul style="list-style-type: none"> ▪ Northern Cities contracting with PAWS will pay no shelter usage component charge but will pay a regional sheltering charge equal to one-half the population-based sheltering charge (incorporated into current cost estimates).

**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES
OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE**

<p>Joint City-County Committee</p>	<p>A committee composed of 3 county representatives (appointed by County) and 6 city representatives (appointed by cities) shall meet not less than twice each year to review service issues and make recommendations regarding efficiencies and improvements to services. Members may not be elected officials. The committee shall review and make recommendations regarding the conduct and findings of collaborative initiatives. Subcommittees to focus on individual initiatives may be formed, each of which shall include membership from both county and city members of the Joint City-County Committee. Recommendations of the Joint City-County Committee are non-binding.</p>
<p>Ongoing Collaborative Initiatives</p>	<ul style="list-style-type: none"> ▪ Update of animal services codes as means to increase revenues and incentives for residents to license, retain, and care for pets. ▪ Explore practicability of private for-profit licensing system. ▪ Pursue linkages between County and private non-profit shelter and rescue operations to maximize opportunities for pet adoption, reduction in homeless pet population, and other efficiencies. ▪ Promote licensing through joint marketing activities of cities and the county. ▪ Explore options for increasing service delivery efficiencies across the board. ▪ Study options for Kent Shelter repair/replacement. ▪ Complete compensation and classification study for shelter staffing benchmarked with other publicly operated shelters.
<p>County Transition Funding</p>	<p>The County shall establish an initial annualized level of transition funding for cities as follows:</p> <ul style="list-style-type: none"> ▪ \$250,000 shall be allocated by population to those cities with estimated net per capita 2010 regional model costs above the median (cost > \$6 per capita). ▪ An additional \$400,000 shall be allocated by population to those cities with the highest estimated net per capita 2010 regional model costs (cost > \$8 per capita). <p>Cities who contract for the full 2.5 year term and qualify for transition funding shall receive:</p> <ul style="list-style-type: none"> ▪ One-half of the initial annualized level for the second half of 2010. ▪ The initial annualized level in 2011. ▪ 66% of the initial annualized level in 2012.

**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES
OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE**

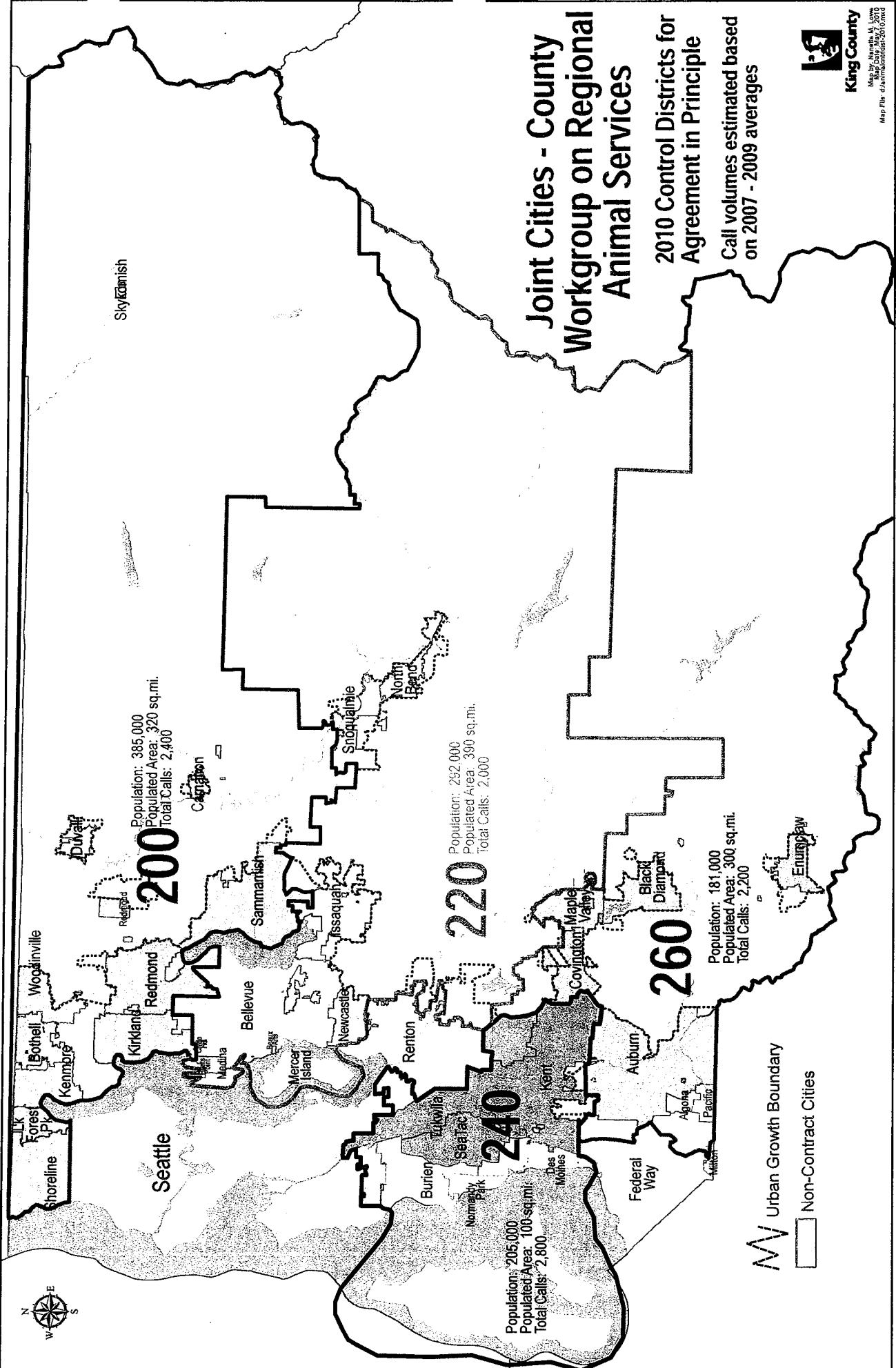
- 33% of the initial annualized level in 2013, if the city and County enter into a 2-year extension agreement.
- 0% in 2014.

In addition, the County shall provide in 2010 enhanced licensing marketing support to the five cities with the lowest 2009 licensing revenue per capita. For each unit of enhanced licensing marketing support, the County will provide \$20,000 in services estimated to generate 1,000 licenses or \$30,000 in licensing revenue.

- Two cities over 100,000 in population shall each receive 2 units of enhanced licensing marketing support (estimated \$60,000 in licensing revenue in each city).
- Three cities under 30,000 in population shall share one unit of enhanced licensing marketing support (estimated \$10,000 in licensing revenue in each city).

In order to mitigate large fluctuations in cost and the impact of a mixed use/population cost allocation methodology several credits are included.

- The resident usage credit limits the cost allocation in the regional model to no more than 20% greater than the charge would be under the usage only model for all cities whose net cost is greater than \$5,000
- The impact credit limits overall net cost increases from cities opting out of the model to not more 10% greater than in the previous model (including the residential use credit).





Joint Cities - County Workgroup on Regional Animal Services

2010 Control Districts for
Agreement in Principle

Call volumes estimated based
on 2007 - 2009 averages



 Urban Growth Boundary
 Non-Contract Cities

200
Population: 385,000
Populated Area: 320 sq.mi.
Total Calls: 2,400

220
Population: 252,000
Populated Area: 390 sq.mi.
Total Calls: 2,000

260
Population: 181,000
Populated Area: 300 sq.mi.
Total Calls: 2,200

240
Population: 205,000
Populated Area: 100 sq.mi.
Total Calls: 2,800

Joint Cities-County Work Group for Regional Animal Services – Base-Level Control Service Model

Field Staffing	Services Provided	Service Levels	Notes/ Assumptions	Costs (2010 estimated annualized costs)
6 Total Animal Control Officers (ACOs) = 4 on-duty 5 days per week	<i>Non-Peak Season:</i> During non-peak season, officers will attempt to respond to all calls in order of priority. <i>Peak Season:</i> Due to high call volumes during peak season (late Spring, Summer, early Fall) some lower priority calls will not be responded to at all (call takers will attempt to resolve over the phone).	<u>Service Districts:</u> 4 geographic animal control service districts. Each of the districts staffed with a minimum of 1 ACO for eight hours a day, 5 days a week.	Some days there will be more than 4 ACOs on duty. When this occurs, the first priority for the additional ACO(s) would be responding in districts with the highest call volumes that day or backlogs of calls.	Direct Service Staff Costs (and FTEs): 0.4 ACC Manager/0.4 Ops Manager/0.17 IT Tech \$109,000 1.0 Sergeant/1.0 Cruelty Sergeant/6.0 AC Officers \$683,000 1.0 Admin Asst-Lead /2.0 Call Takers \$210,000 Overtime/Duty/Shift Differential \$22,000 Temp Staff \$50,000 Total: \$1,074,000
1 Animal Cruelty Sergeant = 1 on-duty 5 days per week	Call types include: High Priority Calls (Emergent Circumstances): *Animal Bite *Vicious Dog *Injured Animal *Police Assist *Loose Livestock *Animal Cruelty	After-hours and weekend calls will be responded to the next business day or, when necessary, will be handled to by local police officers.	Rural areas will receive a lower level of service than urban areas.	Other Direct Service Costs: Facilities \$10,000 Medicine/Ambulance/Hospital \$25,000 Other Services (Consult, Laundry, Legal) \$80,000 Office & Other Supplies/Equipment \$11,000 Copy, Printing, Pubs & Postage \$45,000 Motorpool, Misc Trans, Cab Refurb. \$155,000 Phones, Cell, Pagers & Radio \$36,000 IT Equipment & IT Services \$58,000 Misc Direct Costs \$37,000 Total: \$457,000
1 IT Tech = shared with licensing & sheltering	Lower Priority Calls: *Non-emergent High Priority *Patrol Request *Trespass *Stray Dog/Cat Confined *Barking Dog *Leash Law Violation *DOA Animal		Assumes annual shelter intake numbers reduced to 7,000 so service levels in shelter can be maintained with current program staffing level.	Overhead Costs: GF Overhead \$17,000 Division Overhead \$111,000 IT & Telecom Overhead \$31,000 Finance & Other \$15,000 Total: \$174,000
1 AC Center Lead/ Admin Assistant = 1 on-duty 5 days per week				
2 AC Call Takers = 2 on-duty 5 days per week				
12 Positions Total				
* Except costs for overnight call dispatch by Sheriff are not included. Also excludes IT costs associated with mainframe systems (\$50,000/year), which King County will absorb.			Total Fully-Loaded Cost*	\$1,705,000
			Estimated Control Revenues	\$6,400
			Net Cost	\$1,698,600

Joint Cities-County Work Group on Regional Animal Services – Base-Level Animal Shelter Services Model

Shelter Staffing	Services Provided	Service Levels	Assumptions	Costs (2010 estimated annualized costs)
<p>12 Total Animal Control Officers (ACOs) = 8 ACOs scheduled to work each day = average of 6 ACOs on-duty each day</p> <p>2 Animal Control Working Sergeants = 1 on-duty each day</p> <p>1 Placement Specialist = 1 on-duty 5 days per week</p> <p>2 Vets = 1 on-duty 6 days per week</p> <p>2 Vet Techs = 1 on-duty 6 days per week</p> <p>1 Volunteer/Foster Coordinator = 1 on-duty 5 days per week</p> <p>20 Positions Total</p>	<p><u>Services</u> *Shelter and care of owner-released and lost or stray dogs, cats, and other types of animals including: -Enrichment/exercise -Good care and feeding -Reasonable medical attention *Pet adoptions *Animal care/behavior education *Redemption of impounded pets *Quarantine of bite animals *Pet license sales *Convenient hours for the public *Robust volunteer programs *Animal sheltering operations for animals during disasters and emergencies</p> <p><u>Service Standards</u> *No adoptable, reasonably treatable animal euthanized *Shelter cleaned according to best practices</p>	<p>Shelter operations reduced from two locations to one location (Crossroads Shelter in Bellevue is closed). Kent Animal Shelter is open 7 days per week, and late hours (6 pm) on weekdays to facilitate customer service. Annual intake will be limited to 7,000 animals to ensure quality care for animals. Policies will be put in place to limit owner-surrenders and field pick-ups and incentivize community-based solutions.</p>	<p>Animal Control Officers work 5/8 shifts (5 on, 2 off) and 4/4 shifts (4 on, 4 off) to increase number of ACOs on duty each day. Crossroads staff transferred to Kent. Animal Control Sergeants are working supervisors, helping with animal care as well as supervision. Volunteers perform more duties at shelter to assist ACOs. Kent Animal Shelter is not impacted by Green River flooding. Seasonal ACO temps boost staffing levels during peak season.</p>	<p>Direct Service Staff Costs: 0.6 FTE ACC Manager/0.6 FTE Ops Manager/0.17 FTE IT Tech \$155,000 2.0 Sergeants/12.0 ACOs/1.0 Placement Specialist/1.0 Volunteer Coord. \$1,280,000 2.0 Vets/2.0 Vet Techs \$399,000 Seasonal Shelter ACOs \$100,000 Overtime, Duty, and Shift pay \$106,000 Total: \$2,040,000</p> <p>Other Direct Service Costs: Facilities \$150,000 Medicine/ Ambulance/ Hospital \$145,000 Other Services (Consult/ Laundry/Legal) \$200,000 Office & Other Supplies & Equipment \$114,000 Copy, Printing, Pubs, Postage \$5,000 Motorpool & Misc Transportation \$10,000 Phones, Cell, Pagers & Radio \$13,000 IT Equipment & IT Services \$35,000 Misc Direct Costs \$49,300 Total: \$721,300</p> <p>Overhead Costs: GF Overhead \$203,000 Division Overhead \$195,000 IT & Telecom Overhead \$17,000 Finance & Other \$31,000 Total: \$446,000</p>
Total Fully-Loaded Cost				\$3,207,300
Estimated Sheltering Revenues				\$202,500
Net Cost				\$3,004,800

Joint Cities-County Work Group for Regional Animal Services – Base-Level Pet Licensing Model

License Program Staffing	Services Provided	Assumptions	Costs (2010 estimated annualized costs)
<p>1 Pet Licensing Supervisor = 1 Supervisor on-duty 5 days per week</p> <p>1 IT Tech = shared with animal control and sheltering</p> <p>1 Sales and Marketing Manager = 1 S & M Manager on-duty 5 days per week</p> <p>3 Customer Service Specialist III = 3 CS III on-duty 5 days per week</p> <p>1 Fiscal Specialist II = 1 FS II on-duty 5 days per week</p> <p>1 Administrative Office Assistant = 1 AOA on-duty 5 days per week</p> <p>8 Positions Total</p> <p>*daily staffing levels do not account for vacation and sick leave</p>	<p><u>Comprehensive Pet License Renewal Program</u> *Mail renewal letters, reminders, late notices, and tags * Phone renewals</p> <p><u>Management of 100+ Sales Partners and Recruit New Partners</u> *Vet clinics, license agencies, QFC stores, Cities, Animal shelters, Pet supply stores, Apartment complexes</p> <p><u>Incentives to License (managed by Pet Licensing)</u> *Fetch Your Pet (lost pet reunite hotline) *Vacation Pet Alert *Spay/neuter voucher for unaltered pets</p> <p><u>On-line Pet Licensing</u> *Maintenance of and upgrades to system</p> <p><u>Deterrents to Not Licensing</u> *Penalties for non-compliance with licensing laws (late fees; failure to license penalty)</p> <p><u>Responsible Pet Ownership Education</u> *Inserts in county mailings, such as vehicle tab renewals</p> <p><u>Overall Administration of Pet Licensing</u> *Program management *Database management *Supply management</p> <p><u>Administer New Senior License Program</u> *Half price annual license vs. old lifetime license</p>	<p>Majority of <u>Contract Cities Are Active Partners</u> * Actively sell licenses at city counters *Promote licenses through websites, mailings, signs, and newsletters * Support license enforcement</p> <p>No sales and marketing jurisdiction-specific staff</p>	<p>Direct Service Staff Costs: 0.33 Section Manager/0.17 IT Tech \$60,000 0.5 Pet License Supervisor/1.0 Sales & Marketing Manager/2.8 Customer Specialist III \$301,000 1 Fiscal Specialist/1 Admin Asst \$123,000 Seasonal Sales & Marketing Staff \$25,000 Overtime \$5,000 Total: \$514,000</p> <p>Other Direct Service Costs: Facilities \$13,000 Other Services (consult/laundry/legal) \$15,000 Office & Other Supplies/Equipment \$3,000 Copy, Printing, Pubs & Postage \$166,000 Motorpool & Misc Transportation \$1,000 Phones, Cell, Pagers, & Radio \$5,000 IT Equipment & IT Services \$85,000 Misc Direct Costs \$1,400 Total: \$284,400</p> <p>Overhead Costs: GF Overhead \$25,000 Division Overhead \$55,000 IT & Telecom Overhead \$50,000 Finance & Other \$10,000 Total: \$140,000</p>
		<p>Total Fully-Loaded Cost* \$943,400</p> <p>Estimated Licensing Revenue \$45,000</p> <p>Net Costs 989,400</p>	

* Excludes IT costs associated with mainframe systems (\$120,000/year), which King County will absorb.

**Joint Cities-County Work Group on Regional Animal Services
Exhibit C-1 Preliminary Estimated 2010 Payment (Annualized) (1)**
(Showing participation only of those jurisdictions that have expressed interest as of May 13, 2010 in contracting for either 6 months or 2.5 years)

Budgeted Total Allocable Costs	Control	Sheltering	Licensing	Total Allocable Costs	2009 Licensing Revenue	Estimated Net Cost	Transition Funding (5)	Credits (6)	Estimated Net Costs with Transitional Funding and Credits	Estimated Revenue from Transitional Licensing Support	Estimated Net Final Cost	
Budgeted Total Allocable Costs	\$1,705,000	\$3,207,400	\$943,400	\$5,855,800								
Budgeted Non-Licensing Revenue	\$6,500	\$202,500	\$45,000	\$254,000								
Budgeted Net Allocable Costs	\$1,698,500	\$3,004,900	\$998,400	\$5,601,800	\$3,070,105	-\$2,531,695						
Proposed Animal Control District Number	Jurisdiction	Estimated Animal Control Cost Allocation (2)	Sheltering Cost Allocation (Exclude Cities for PAWS Sheltering) (3)	Estimated Pet Licensing Cost Allocation (4)	Estimated Total Cost Allocation	2009 Licensing Revenue	Estimated Net Cost Allocation	Transition Funding (5)	Credits (6)	Estimated Net Costs with Transitional Funding and Credits	Estimated Revenue from Transitional Licensing Support	Estimated Net Final Cost
200												
	Bothell	\$34,983	\$23,485	\$31,127	\$89,614	\$102,067	\$12,453	\$0	\$0	\$12,453	\$0	\$12,453
	Canonon	\$7,650	\$9,687	\$1,627	\$17,964	\$5,723	\$7,240	\$1,674	\$0	\$5,566	\$0	\$5,566
	Drusell	\$6,806	\$13,286	\$3,604	\$23,676	\$2,113	-\$3,592	\$0	\$89	-\$2,703	\$0	-\$2,703
	Estimated Unincorporated King County	\$108,379	(see total below)	(see total below)	(see total below)	(see total below)	(see total below)	NA	NA	(see total below)	NA	NA
	Kennore	\$28,309	\$14,451	\$19,921	\$60,680	\$73,160	\$12,480	\$0	\$0	\$12,480	\$0	\$12,480
	Kirkland	\$51,479	\$102,732	\$40,548	\$194,759	\$159,211	-\$35,548	\$0	\$30,511	-\$5,037	\$0	-\$5,037
	Lake Forest Park	\$14,144	\$9,061	\$13,248	\$36,454	\$71,987	\$35,534	\$0	\$0	\$35,534	\$0	\$35,534
	Redmond	\$51,589	\$102,198	\$42,693	\$196,420	\$134,311	-\$62,108	\$0	\$43,014	-\$19,097	\$0	-\$19,097
	Sammamish	\$39,496	\$71,774	\$35,928	\$147,199	\$135,347	-\$11,852	\$0	\$9,102	-\$2,750	\$0	-\$2,750
	Shoreline	\$73,664	\$38,395	\$47,897	\$156,956	\$189,347	\$32,391	\$0	\$29,391	\$3,000	\$0	\$29,391
	Woodinville	\$15,121	\$7,542	\$8,847	\$32,510	\$37,918	\$5,408	\$0	\$0	\$5,408	\$0	\$5,408
SUBTOTAL FOR CITIES IN 200 (excludes unincorporated area)		\$316,246	\$391,543	\$248,438	\$956,228	\$931,185	-\$25,045	\$1,674	\$83,484	\$80,113	\$0	\$60,113
220												
	Baux Arts	\$446	\$477	\$313	\$1,236	\$900	-\$337	\$0	\$0	-\$337	\$0	-\$337
	Bellevue	\$145,579	\$245,434	\$94,256	\$485,270	\$274,346	-\$210,923	\$0	\$92,769	-\$118,155	\$60,000	-\$58,155
	Clyde Hill	\$3,532	\$4,576	\$2,565	\$10,674	\$8,044	-\$2,629	\$0	\$0	-\$2,629	\$0	-\$2,629
	Estimated Unincorporated King County	\$170,718	(see total below)	(see total below)	(see total below)	(see total below)	(see total below)	NA	NA	(see total below)	NA	NA
	Hunts Point	\$374	\$704	\$238	\$1,316	\$230	-\$1,086	\$0	\$0	-\$1,086	\$0	-\$1,086
	Issaquah	\$40,780	\$61,457	\$20,813	\$123,050	\$64,509	-\$58,541	\$0	\$0	-\$58,541	\$0	-\$58,541
	Merced Island	\$25,866	\$39,233	\$17,828	\$82,927	\$55,113	-\$27,814	\$0	\$25,064	-\$2,750	\$0	-\$2,750
	Newcastle (?)	\$13,918	\$19,342	\$5,783	\$39,043	\$10,000	-\$29,043	\$0	\$10,945	-\$18,098	\$0	-\$18,098
	North Bend	\$9,909	\$15,424	\$4,187	\$29,519	\$14,341	-\$15,178	\$4,172	\$0	-\$11,007	\$0	-\$11,007
	Snouqualmie	\$12,436	\$21,997	\$7,176	\$41,608	\$23,697	-\$17,941	\$0	\$3,940	-\$14,002	\$0	-\$14,002
	Yarrow Pt.	\$1,064	\$853	\$553	\$3,377	\$2,964	-\$513	\$0	\$0	-\$513	\$0	-\$513
SUBTOTAL FOR CITIES IN 220 (excludes unincorporated area)		\$253,907	\$410,103	\$154,071	\$818,071	\$454,074	-\$364,006	\$4,172	\$132,717	-\$227,117	\$60,000	-\$167,117
240												
	Burien (includes North Highline Area X Annexation)	\$106,877	(see total below)	(see total below)	(see total below)	(see total below)	(see total below)	NA	NA	(see total below)	NA	NA
	Estimated Unincorporated King County	\$208,450	\$694,228	\$87,531	\$990,209	\$25,365	-\$734,844	\$334,834	\$48,960	-\$351,050	\$60,000	-\$291,050
	Kent (includes Panther Lake Annexation)	\$62,145	\$112,813	\$19,599	\$194,557	\$53,065	-\$141,492	\$7,829	-\$111,012	\$10,000	-\$101,012	
	SeaTac	\$47,153	\$83,983	\$12,474	\$143,610	\$30,348	-\$113,263	\$15,925	\$5,628	-\$87,710	\$0	-\$87,710
	Tukwila	\$317,748	\$981,024	\$119,603	\$1,328,376	\$338,777	-\$989,599	\$373,309	\$62,917	-\$653,772	\$80,000	-\$473,772
SUBTOTAL FOR CITIES IN 240 (excludes unincorporated area)		\$1,068,877	\$3,207,400	\$943,400	\$5,855,800	\$3,070,105	-\$2,531,695	\$62,917	-\$1,076,046	\$150,000	-\$926,046	
260												
	Alpina	\$144,841	\$333,152	\$49,669	\$547,662	\$158,415	-\$389,247	\$198,649	\$0	-\$189,598	\$0	-\$189,598
	Auburn	\$10,251	\$18,656	\$3,624	\$32,530	\$13,071	-\$19,458	\$3,664	\$0	-\$15,795	\$0	-\$15,795
	Black Diamond	\$49,589	\$68,051	\$16,382	\$134,021	\$60,534	-\$73,487	\$15,364	\$0	-\$58,123	\$0	-\$58,123
	Conington	\$30,596	\$57,484	\$8,882	\$96,972	\$32,464	-\$64,508	NA	\$0	-\$64,508	\$0	-\$64,508
	Enumclaw	\$143,389	(see total below)	(see total below)	(see total below)	(see total below)	(see total below)	NA	NA	(see total below)	NA	NA
	Estimated Unincorporated King County	\$45,980	\$55,002	\$17,144	\$131,706	\$82,283	-\$69,713	NA	\$0	-\$69,713	\$0	-\$69,713
	Maple Valley	\$129,126	\$65,564	\$6,301	\$94,822	\$34,677	-\$60,145	\$278,718	\$0	-\$32,427	\$0	-\$32,427
	Pacific	\$1,169,137	\$2,258,025	\$618,355	\$4,045,812	\$2,040,753	-\$2,004,764	\$650,000	-\$1,076,046	\$150,000	-\$926,046	
SUBTOTAL FOR CITIES IN 260 (excludes unincorporated area)		\$1,169,137	\$2,258,025	\$618,355	\$4,045,812	\$2,040,753	-\$2,004,764	\$650,000	-\$1,076,046	\$150,000	-\$926,046	
TOTAL FOR CITIES		\$1,169,137	\$2,258,025	\$618,355	\$4,045,812	\$2,040,753	-\$2,004,764	\$650,000	-\$1,076,046	\$150,000	-\$926,046	
Total King County Unincorporated Area Allocation		\$529,363	\$748,875	\$280,045	\$1,556,282	\$1,029,352	-\$526,931					
King County Transitional Costs												
	IT Costs Associated with Mainframe Systems											-\$170,000
	Potential Lease Costs for 2011											-\$150,000
	Transition Funding for Cities											-\$650,000
	Credits											-\$278,718
	Transitional Licensing Support for Cities (only in 2010)											-\$100,000
TOTAL FOR KING COUNTY												-\$1,875,648

Source: KC Office of Management and Budget and Animal Care and Control
Date: May 13, 2010

“Regional Animal Services of King County”

Frequently Asked Questions

What animal services does King County currently provide?

The goal of animal services is to protect public health and safety and provide humane care for animals. Animal services include three primary components: animal control, animal sheltering, and pet licensing.

King County Animal Care and Control (KCACC) has been in operation for over 38 years. KCACC currently operates two shelter locations within King County: a main shelter in Kent and a smaller shelter in the Crossroads area of Bellevue. KCACC has sheltered between 9,000 and 12,000 homeless animals per year in recent years. The program provides shelter for animals who are surrendered by owners, dropped off as strays, impounded for behavioral or other reasons, or deemed evidence in law enforcement investigations. KCACC dispatches animal control officers to respond to calls about dangerous, stray, dead or injured animals. King County sells and markets pet licenses as a means to both increase efficiency of shelter and control operations and generate revenue to support the system.

Who receives the service from the County now?

Currently, KCACC provides services to all residents in the unincorporated area of the County and contracts with 35 other cities within the County (excluding Seattle, Renton, Skykomish and Milton). KCACC provides limited contract services to Des Moines, Newcastle and Normandy Park. Five cities purchase an enhanced level of control service from the County (Auburn, Shoreline, Kirkland, SeaTac, Tukwila).

What are the benefits of a regional system?

A regional system provides for better public health, safety, animal welfare and customer service outcomes in a more cost efficient and effective manner. These benefits accrue through significant economies of scale and, in the new regional model, properly aligned financial incentives that support desired programmatic outcomes and help to contain costs over time.

For cities, a regional system allows local police agencies to focus on traditional law enforcement matters and shifts the burden of a complex and unique service to the County and specially trained animal services staff.

For the public, a regional system is simpler to understand and to use. There is one place to call to renew or acquire a pet license. There is one place to call to find a lost pet. The public health system has a better ability to identify and track issues related to animals, such as rabies.

For animals, a regional system provides for humane standards of care and the capacity to address a broad array of unusual events involving animals including

horse cruelty, animal hoarding, loose livestock, dog fighting and cock fighting rings, illegal reptile vendor operations, animal quarantines, and holding of animals as evidence in criminal cases. A regional system also provides for routine vaccination of animals and low-cost, high-volume spay/neuter operations to reduce the population of homeless and unwanted animals.

How is the proposed regional service model different from what King County is currently doing?

- (1) *Control operations will be organized by district to improve accountability.*
 - a. Animal control officers will be dedicated to one of four specific geographic districts. Coverage will be more consistent and predictable and cities will be able to build a relationship with their district's dedicated officers.
 - b. The base level of field services will be provided 5-days per week rather than 7-days per week in order to contain costs. Cities may contract with the County for a higher level of service.
- (2) *New sheltering arrangements will help ensure humane standards of care for animals within current capacity and resource constraints.*
 - a. Northern cities will contract with PAWS, a private nonprofit shelter in Lynnwood, for shelter capacity.
 - b. At the County's Kent shelter, new policies and practices will be put in place to ensure that animals can be humanely cared for within limited available resources. Expanded use of volunteers and the foster network will support this effort.
 - c. The number of adoptions from the Kent shelter will be maximized by seeking transfer and other arrangements with private animal welfare partners.
 - d. The Crossroads shelter will be closed to save costs and focus resources.
- (3) *Incentives will be aligned across the system to encourage desired behavior and ultimately bring down costs.*
 - a. While the current licensing structure will remain in place, cities will be incentivized to increase licensing rates in order to offset their costs. Higher licensing rates have the added benefit of improving the efficiency of control and shelter services.
 - b. Costs will be allocated partially based on use in order to encourage less use of the system and collaborative efforts to decrease the number of homeless pets.
 - c. Residents will be provided with resources (such as education to change pet behavior) and incentives (such as fees for owners who surrender pets) to encourage cost-effective solutions that do not burden the system.

How do the County's costs compare to other shelters?

King County's average sheltering cost-per-animal is comparable to or lower than that of other public and nonprofit shelters. Many factors impact the cost-per-animal sheltered, such as the average length of time an animal stays at the

shelter and the severity of animals' medical conditions. Some private nonprofit shelters have as part of their mission the care of animals with more severe medical or behavioral conditions which equates to a higher cost-per-animal. Many private nonprofit shelters seek private donations to help pay for their operations.

Another cost comparison is per capita spending on animal services programs (combined cost of both public animal care and control programs and large private shelters). The national average is around \$7 per capita. King County is closer to \$5 per capita. Well-respected programs, such as Boulder Valley, San Francisco and Multnomah County, spend closer to \$18 per capita.

Why doesn't a higher euthanasia rate solve the cost problem?

In recent years, the County has worked to reduce the euthanasia rate, which now stands at around 20 percent. Many of the gains in lowering the euthanasia rate have been achieved at minimal cost. The County has increased the volunteer program, more effectively utilized the foster program, and partnered with more private animal welfare organizations. This has enabled more animals to leave the shelter alive, with limited public resources.

The best way to lower the cost of animal services is to tackle the problem of unwanted pets through a coordinated regional spay/neuter program that decreases the homeless animal population. An effectively-run shelter helps to tackle this problem through spay/neuter of all animals.

Why can't King County close its shelter and have other shelters fill the gap?

Without King County's shelter there just isn't enough capacity in the system to care for the number of animals in the system. King County takes in two to three times the number of animals sheltered by other shelter organizations in the region. Closing the Kent shelter would put an intolerable strain on the private shelters, impeding their ability to do the good work they are doing, and lead to significant threats to public health and safety.

Why is the Work Group proposing a 5-day per week level of animal control service, rather than the current 7-day per week level? What does this mean for cities?

The reduction in base control services reflects the Work Group's proposal to reduce base-level costs. Cities will have the option of purchasing enhanced field services which could be organized to provide 7-day per week service. King County will continue to provide for off-hour response to critical or emergency animal control matters that necessitate immediate action for protection of public safety or the protection of the life of the animal. Non-emergency calls will receive a response on the next working day.

How were the service district boundaries determined?

The district boundaries take into account a rough balance of the volume of calls in each area, jurisdictional boundaries, and reasonably efficient transportation routes within each district. Boundaries may be adjusted depending on the cities participating in the new regional model.

Would privatizing licensing save money?

Private licensing vendors exist that would cost less on a per-license basis than King County. However, these vendors typically do not provide the local marketing services King County provides that are critical to maintaining and increasing licensing rates that generate revenue to support the system. There may also be complications associated with using a private licensing vendor when it comes to sharing data with on-the-ground field officers and responding to resident inquiries. Once marketing and other coordination-related costs are included, it appears that costs between King County and private licensing vendors are roughly comparable.

The proposal calls for a collaborative exploration of ways to reduce costs and improve services, including through exploration of alternative licensing systems.

Why can't the system be self-sufficient from license fees?

Pet licensing revenue from fees and related fines currently cover about 60 percent of the proposed regional service model. Research on other jurisdictions' operations shows that it is virtually unheard of for a program to fully cover its costs from licensing or other program-specific revenues. For example, the director of the well-respected Multnomah County program estimates that license revenue covers only about 30 percent of program costs.

Today about 20 percent of pet owners countywide license their pets, with rates in individual cities estimated to range from a low of roughly 5 percent to a high of 40 percent. The new regional model provides opportunities to maintain and increase licensing revenue through the County and cities working together. Increased licensing will mean significant revenue credited back to cities toward their cost of receiving services.

Targeted licensing efforts in some King County cities have recently shown a significant ability to increase licensing. Focused, short-term canvassing and telephone efforts in 2009 were conducted in Kirkland, Shoreline and Lake Forest Park. These contributed to a net increase of 3,501 licenses issued.

How much will my city have to pay?

There are two critical factors that will affect the financial impact on cities: (1) the more cities that participate, the lower the cost will be for everyone, and (2) the higher a city's pet licensing rate and revenue, the lower will be that city's net cost. For those cities with the highest costs per capita or the lowest licensing revenue per capita, the County is proposing to provide transitional funding and enhanced licensing revenue support.

A two-step process is proposed to confirm interest in system participation and cost prior to signing new service agreements. Once cities have indicated their interest in participating in a regional model by April 30th, King County will revise the cost estimates and report back to cities.

Why are costs allocated based on both use and population?

The cost allocation formula is intended to (a) provide incentives to minimize use of the system and decrease the homeless pet population (use component) and (b) recognize that the system benefits everyone and that animals don't respect jurisdictional boundaries (population component). Additionally, the cost allocation was designed to balance burdens across jurisdictions in hopes of maximizing participation and preserving a regional system.

Why is it proposed that cities be required to purchase all services?

The Work Group concluded that to maximize system efficiency, a "menu" approach to purchasing services is not practicable, at least not in the short-term. For example, to be able to effectively track animals and pet owners in the system, a single licensing system is most efficient. Field officers can spend more time responding to calls if they are not required to deliver animals to multiple shelters in one geographic area. Shelters have less paperwork and data challenges if they are dealing with fewer field operations and a single licensing system.

What is the benefit of contracting for 2.5 years?

First, a longer-term contract provides some stability to a system that will improve outcomes for both residents and animals.

Second, a 2.5 year period will give participating parties enough time to work on initiatives that improve outcomes, efficiency, and may ultimately bring down the cost of the program. Initiatives identified by the Work Group for further exploration include:

- Updating animal codes to increase licensing and other revenues;
- Taking actions to begin reducing the homeless animal population, such as spay/neuter efforts;
- Working collaboratively to identify ways to improve efficiencies and control policies;
- Considering other service options, such as working with partners to provide some portion of licensing services; and
- Reviewing options for repair/replacement of the Kent shelter.

Third, cities who qualify for County transition funding and support are only eligible to receive that support if they elect to contract for the full 2.5 years.

Regional Animal Services for King County Transmittal Outline

The transmittal for the proposed regional model for animal services will include three proposed ordinances as follows:

- I. Ordinance authorizing interlocal agreement with cities. The interlocal agreement was developed in collaboration with the Joint Cities-County Work Group for Regional Animal Services and is based on the group's agreement in principle. The 2.5 year contract lays out:
 - Services offered and service levels, including the creation of four animal control districts;
 - Method for allocating costs and revenues to all parties using the regional animal services system;
 - Payment and reconciliation processes and timelines;
 - Credits and funding proposed to ease the transition of cities particularly affected by the cost allocation;
 - Termination and contract extension requirements;
 - Ongoing collaborative initiatives among the cities and the county for reporting, identification of cost savings and efficiencies; involvement of private partners.

- II. Ordinance amending King County Code. This will include a variety of policy and code changes to improve operations, augment revenue and improve customer service, including:
 - Allowing for the use of credit cards for animal service-related transactions (such as adoptions);
 - Adjusting fees to be more aligned with similar jurisdictions and other shelter operations and to raise revenue;
 - Enabling innovative and entrepreneurial partnerships and the more expedient use of donated funds according to specific policies and guidelines.

- III. Ordinance providing for supplemental budget appropriation. This will include:
 - Appropriation authority for shelter operations from February 1, 2010 through June 30, 2010 (backed by County General Fund and pet license revenue);
 - Appropriation authority to implement the new regional model (backed by city contributions, pet license and program revenue, and County General Fund, including transition funding for some cities);
 - Appropriation authority for one-time costs and other reforms associated with developing and implementing the regional model (backed by County General Fund);
 - Appropriation authority for the animal bequest funds (backed by private donations).

Supporting documents for the proposed legislative package will include:

- IV. Transmittal letter outlining the package.
- V. Contract summary identifying in plain language the main elements of the contract, by section.
- VI. Summary of reforms identifying reforms recently implemented as well as immediate, mid-term, and longer-term reforms that are needed to support better service delivery and accountability in the regional model.
- VII. Fiscal note detailing expenditure and revenue projections associated with the legislative package.
- VIII. Budget Crosswalk illustrating the connection between the supplemental appropriation ordinance and the elements of the regional model and reforms.

REVISED TIMELINE for CONFIRMING INTEREST OF CITIES and
ADOPTING NEW INTERLOCAL AGREEMENTS

Schedule Revised as of May 13, 2010

<i>Date</i>	<i>Item</i>
Wednesday, May 5	Initial non-binding statements of interest due – confirming whether City is interested in contracting with County for regional animal services (indicate whether City is interested in a 6 month contract or a 2.5 year contract)
Friday, May 7	List of responses to Initial Statement of Interest Circulated.
Monday, May 10	Adjusted costs circulated to all parties based on May 5 indications of interest. If costs have increased due to some Cities declining to participate, a second statement of intent will be requested from Cities later in May.
Thursday, May 13	Circulate draft form of Interlocal Agreement (ILA) to all cities (comments due May 21)
Friday, May 21	Comments due on Draft ILA
Wednesday, May 26	Second statement of interest due from Cities.
Friday, May 28	Results of 2nd statement of intent circulated to all parties.
Friday, May 28	FINAL ILA circulated, including final estimated costs only those parties indicating interest as of May 26.
May 27-June 3	Parties confer and determine whether/how to proceed.
June	All participating jurisdictions adopt legislation approving ILA by mid-to-late- June in order for agreement to become effective July 1.

City Status as of 5/18/2010

	Jurisdiction	2.5 Years	6 months	Enhanced	Not participating	Haven't heard from
200	Bothell		✓			
	Carnation	✓				
	Duvall	✓				
	Kenmore	✓		✓		
	Kirkland	✓				
	Lake Forest Park	✓		✓		
	Redmond	✓				
	Sammamish	✓				
	Shoreline	✓		✓		
	Woodinville	✓				
220	Beaux Arts	✓				
	Bellevue	✓				
	Clyde Hill	✓				
	Hunts Point	✓				
	Issaquah	✓		✓		
	Mercer Island	✓				
	North Bend	✓				
	Snoqualmie	✓				
	Yarrow Pt	✓				
240	Burien				✓	
	Kent	✓				
	SeaTac	✓				
	Tukwila	✓				
260	Algona				✓	
	Auburn	✓		✓		
	Black Diamond	✓				
	Covington	✓				
	Enumclaw	✓				
	Maple Valley	✓				
	Pacific				✓	
Other	Des Moines				✓	
	Federal Way				✓	
	Newcastle	✓				
	Normandy Park				✓	
	Renton				✓	