

# County of Monterey and City of Salinas Animal Services Consolidation Assessment

**June 2016**

Management  
Partners





# Management Partners



June 20, 2016

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Dear Ms. Jimenez and Mr. Corpuz:

Management Partners is pleased to transmit this report, which contains our assessment of the animal services operations of the County of Monterey and the City of Salinas. Our assignment was to review animal control functions currently provided independently by each jurisdiction and to identify opportunities for sharing or combining services and programs.

This report discusses each operation and also provides a continuum of options, ranging from sharing the veterinary clinic (easy to achieve) to a complete consolidation of both operations through a joint powers agreement or authority (more difficult to achieve). The advantages, concerns and costs for each option have been identified.

In December 2015, Management Partners presented a draft report to the administrators of the County and City. In addition to the County Health Department Director and the City of Salinas' City Manager, City and County staff members were present to discuss the report and its options. The consensus reached by the group was to move forward with Option C as a pilot project. Option C includes sharing an animal services administrator and consolidating field services, administrative support and licensing functions. The last chapter of this report provides an estimate of the costs, savings, and revenue implications of Option C, based on the best information available from the City, County, and vendors that are likely to be involved.

The analysis shows Option C does not generate significant savings, primarily because of insufficient economies of scale. However, such economies could be realized through a full consolidation of the City's and County's animal services through a joint powers arrangement. Moving forward will require collaboration and communication about many decisions. The report describes some of the initial steps to begin this process.

Both staffs are dedicated to the care of animals in Monterey County and are loyal to their organizations. We believe sharing services is possible and doing so will benefit both jurisdictions through better customer service as well as greater efficiencies.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerald E. Newfarmer".

Gerald E. Newfarmer  
President and CEO



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## Executive Summary

Management Partners was retained by the County of Monterey and the City of Salinas to review animal control functions currently provided independently by each jurisdiction. The purpose of the assignment was to identify options for either sharing services or combining services and programs.

Having quality animal services is an important issue in every community. This is also an area where jurisdictions can take advantage of economies of scale. In some situations, consolidating such services has been proven to be more cost-effective than providing animal control and shelter services independently.

We began by conducting interviews with managers, staff members and stakeholders from both County and City operations. We also toured each facility to understand the physical setting and capacity of each shelter. We then analyzed operations and costs of service, including expenditures, revenues, and staffing for the shelter and animal control operations.

Each operation was assessed separately and the results are provided in this report. Once we understood the operations of each jurisdiction, we explored four options for sharing and/or consolidating services, ranging from sharing an animal services administrator to full consolidation of both operations.

After presenting these options to the County Health Department Director and City Manager, Management Partners was directed to conduct additional analysis on the costs and benefits of sharing an administrator to lead County and City animal services functions veterinary services, particularly for spaying and neutering; and cooler, collection and cremation services. Shared administrative support and shared animal licensing services utilizing a common vendor also are envisioned as a first phase.

By sharing these services it is estimated the two agencies could save approximately \$52,700 the first year, including one-time start-up costs,

and more than \$72,000 per year thereafter. Additional intangible benefits should be expected, including significantly improved customer service and convenience and smaller operational efficiencies made possible by the close proximity of the two operations. However, the estimated savings assumes the availability of funding from vacant County positions that either have been eliminated recently or are proposed for elimination in the FY 2016-17 budget. As a result, Option C is unable to generate sufficient economies of scale to make the costs of implementation worthwhile.

Instead, we recommend the City and County take steps toward fully consolidating animal services operations through the establishment of a new joint powers authority. Doing so will generate greater economies of scale, particularly if additional municipalities are invited to participate. Creating a joint powers authority will require strong leadership, careful collaboration and open communication about many decisions such as governance, cost sharing arrangements, and the provision of administrative and/or internal support to the new entity.

In the meantime, elements of Option C could be implemented by the City and County, such as shared licensing systems and alignment of fees, to lay the groundwork for effective consolidation in the future. Any sharing of services is likely to result in better customer service and more efficient use of resources. The greater the degree of consolidation, the greater the potential benefits to both agencies and the communities they serve.

## Background and Project Approach

### ***Background***

The City of Salinas and County of Monterey each operate animal services divisions and facilities in close proximity to each other. Both divisions provide a full range of animal control functions including field services, licensing, and shelter operations. The City's Animal Services are overseen by the Salinas Police Department, while the County's Animal Services function is operated by the Environmental Health Bureau of the Monterey County Health Department. Current managerial vacancies in both organizations made this an opportune time to assess the feasibility of sharing services or combining operations.

### ***Project Approach***

Management Partners used a variety of analytical and management techniques in completing this assignment. We toured both facilities, reviewed numerous documents, conducted interviews with staff and stakeholders from both the County and City in September of 2015, and analyzed available data for each agency from FY 2010-11 to FY 2014-15, and to the extent available, for FY 2015-16.

In December 2015 we presented a draft report to representatives from both agencies for feedback about the report in general, as well as the four options (A, B, C and D) presented. At the conclusion of that meeting, Management Partners was asked to analyze the costs and benefits for implementing Option C.

### **Interviews**

Management Partners' team members conducted 17 individual and group interviews with current County staff and two former staff members. We conducted individual and group interviews with 12 City staff, and the City's contract veterinarian. We also interviewed the Service Employees International Union (SEIU) regional director to solicit her input about potential service sharing. In addition, we conducted

individual interviews with the chair of the County's Animal Control Program Advisory Board and the chair of the City's Animal Services Advisory Committee. Many follow-up conversations occurred after the initial interviews.

### **Review of Documents**

Management Partners' team members reviewed a variety of documents from the County and City, including budgrevenues and expenditures for the past five years, staffing for the past five years, animal control data, licensing data, performance metrics such as calls for service, and shelter information.

### **Analysis and Application of Best Practices**

Our analysis included evaluating the potential capacity and cost of service delivery for each jurisdiction's operations as well as the trends during the past five years. We also examined applicable best practices for industry standards of care for animal shelters.

## County of Monterey Animal Services

### ***Background and Service Profile***

The Animal Services Division of the Monterey County Environmental Health Bureau provides animal control, sheltering, licensing and related services to the cities of Carmel and Sand City, as well as unincorporated County areas.

The Animal Services Division’s total expenditures, total revenues and revenues from licensing for the past five years are detailed in Table 1. As the table shows, total animal services expenditures in Monterey County increased from FY 2010-11 to FY 2013-14 by slightly more than \$200,000 over the four-year period. Expenditures dropped somewhat in FY 2014-15 from the previous year but are still 11% higher than during FY 2010-11. Meanwhile, total revenues have decreased steadily over the five-year period by 37%.

*Table 1. Monterey County Animal Services Budget from FY 2010-11 to FY 2014-15*

Budget Items	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<b>Total Expenditures</b>	\$1,622,601	\$1,678,060	\$1,739,417	\$1,837,125	\$1,801,963
<b>Expenditures per Capita</b>	\$15.06	\$15.57	\$16.14	\$17.05	\$16.72
<b>Total Revenues</b>	\$472,336	\$456,866	\$368,783	\$332,947	\$296,156
<b>Revenues per Capita</b>	\$4.38	\$4.24	\$3.42	\$3.09	\$2.75
<b>Revenues from Licensing Fees</b>	\$108,847	\$73,464	\$79,533	\$167,787	\$176,828
<b>Licensing Fee Percentage of Total Revenue</b>	23.04%	16.08%	21.57%	50.39%	59.71%

Even with the decrease in total revenues, the division has seen licensing revenues increase by 62% over the five-year period (from \$108,847 in FY 2010-11 to \$176,828 in FY 2014-15). As a result, licensing fees have grown from 23% of total revenues to nearly 60%. The County offers one-, two-, or three-year licensing options to residents.

Dog licensing services are provided by Animal Services staff at the shelter facility or in the field. The dog licensing application is available on the County’s website, but must be printed out and either mailed or brought to the animal shelter. The ability to acquire or renew a license online is not provided. Cat licenses are offered, but are not mandatory. Since 2012 only 130 cat licenses have been issued.

When this study began, the Monterey County Animal Services Division had 15.25 authorized FTE. A breakdown of staff titles is shown in Table 2. All positions are based at the County’s animal shelter facility in Salinas.

Table 2. Authorized Monterey County Animal Services Staffing

Position	FTE
Operations Manager (currently interim)	1.00
Animal Services Supervisor (vacant)	1.00
Senior Animal Control Officer	1.00
Animal Control Officer	3.00
Senior Animal Care Technician	1.00
Animal Care Technician II	3.00
Animal Care Technician I	0.50
Office Assistant III	1.00
Office Assistant II	2.00
Office Assistant I	1.00
Regular Veterinary Technician	0.75
<b>Total</b>	<b>15.25</b>

Monterey County has a total shelter capacity of 193 animals with 81 dog kennels and 112 cat cages. Shelter and animal care data for the past five years is shown in Table 3. As Table 3 shows, activity at the shelter appears to have decreased over the past five years. The number of new licenses issued has decreased by 26%, impounds by 47%, adoptions by 58%, and pets returned-to-owner by 30%. The number of euthanized animals has decreased by a significant 64%. The only workload metric that increased from FY 2010-11 to FY 2014-15 was transfers, which were 17% higher in FY 2014-15 than in FY 2010-11. Furthermore, as of FY 2014-15 the Monterey County animal shelter has ceased impounding cats, which will further lower the workload.

Table 3. Monterey County Animal Shelter Data from FY 2010-11 to FY 2014-15

Shelter Data	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	Percent change in five-year period
<b>Number of New Licenses Issued</b>	2,903	2,460	2,041	1,954	2,161	-26%
<b>Total Impounds</b>	4,663	4,334	3,966	3,096	2,472	-47%
<b>Cat Impounds</b>	2,275	1,935	1,779	1,352	1,096	
<b>Dog Impounds</b>	2,275	2,222	2,098	1,701	1,326	
<b>Total Adoptions</b>	530	428	434	331	221	-58%
<b>Cat Adoptions</b>	155	116	157	102	60	
<b>Dog Adoptions</b>	375	312	277	229	161	
<b>Total Returned-To-Owner (RTO)</b>	403	364	359	290	284	-30%
<b>Cat RTO</b>	26	23	32	20	18	
<b>Dog RTO</b>	377	341	327	270	266	
<b>Total Transfers</b>	700	890	919	826	820	17%
<b>Cat Transfers</b>	85	120	116	149	241	
<b>Dog Transfers</b>	615	770	803	677	579	
<b>Total Euthanasia</b>	2,845	2,371	2,092	1,576	1,016	-64%
<b>Cat Euthanasia</b>	1,974	1,641	1,435	1,108	701	
<b>Dog Euthanasia</b>	871	730	657	468	315	

Field services are provided by three animal control officers (ACOs) and a senior ACO who enforce County animal codes; pick up stray, lost, injured and/or aggressive animals; investigate and mediate nuisance complaints, such as excessive barking; conduct quarantine investigations for biting animals; and inspect facilities requesting a commercial kennel or breeder permit.

Field ACOs also have the ability to issue licenses in the field. Table 4 below presents the number of licenses issued by the ACOs for each of the past five years, and as a percentage of total licenses. It shows the ACOs issue an average of 696 licenses in the field each year, or approximately 10.9% of the total licenses issued by the County. However, the ACOs are no longer allowed to handle money in the field.

Table 4. Field Licenses Issued as a Percentage of Total Licenses, FY 2010-11 to FY 2014-15

Fiscal Year	New Licenses	Renewals	Total Field Issued Licenses	Total Licenses Issued	Percentage of Field-Issued Licenses
FY 2010-11	558	411	969	6,383	15.0%
FY 2011-12	212	524	736	7,580	9.7%
FY 2012-13	122	350	472	6,165	7.6%
FY 2013-14	104	422	526	5,779	9.1%
FY 2014-15	404	372	776	5,843	13.2%
Five-Year Average	280	416	696	6,350	10.9%

## Organizational Culture

Overall, individuals interviewed indicated the organizational culture is negative. In spite of this, staff members are proud of their work and the animal shelter facility. Some of the issues raised during interviews related to organizational culture are provided below.

- Some employees perceive that upper management neither knows about, nor cares about, animal services. Although this is not the case, perceptions need to be taken seriously.
- Many employees believe communication from management is poor and not timely. As an example, some employees indicated they first learned about the Management Partners' review from Salinas's shelter employees. However, management indicates the employees were informed promptly about this project. This discrepancy suggests an opportunity to improve communication and teamwork.
- Some employees believe they get little support or understanding regarding the physical and emotional demands of the work they do, particularly euthanasia. There appears to be some inhibition or hesitation about using the County's Employee Assistance Program (EAP).
- Several employees commented that not everyone is capable of doing the job they are hired to do. However, there is a history of personality conflicts within the organization that may contribute to these comments.
- Employees believe they are dedicated and that animal care is the first priority. However, the stated animal services mission, *To protect, enhance, and promote the health, safety, and quality of life for the companion animals and people of Monterey County*, focuses on the



residents and their pets, not overall animal welfare. This inconsistency could be the root of some miscommunication and misunderstanding. For example, reducing the need for euthanasia by promoting adoptions, an assumed goal, is not explicitly expressed in the organizational mission. In addition, the stated mission is quite different than what some individual interviewees believe is the actual mission. During interviews, some participants said the mandate is to protect the population against rabies. With that narrow goal, it is not surprising that there is confusion among staff members about the actual mission.

- There is significant conflict among animal control employees themselves; their issues are not just with management. During interviews, many individuals commented about the discord among animal control officers.

**Recommendation 1. Review the organization's mission. If necessary, rewrite the mission to make it consistent with the real purpose. Share with employees and the public so service expectations are consistent with the mission.**

**Recommendation 2. Develop and implement a workplace program to promote teamwork, conflict resolution, workplace communication, and other areas of need identified by employees.**

**Recommendation 3. Determine if the County's EAP can provide counseling relating to the unique stresses felt by animal care and control workers.** If such counseling is available, encourage employees to use it. If not, find other resources to provide such counseling.

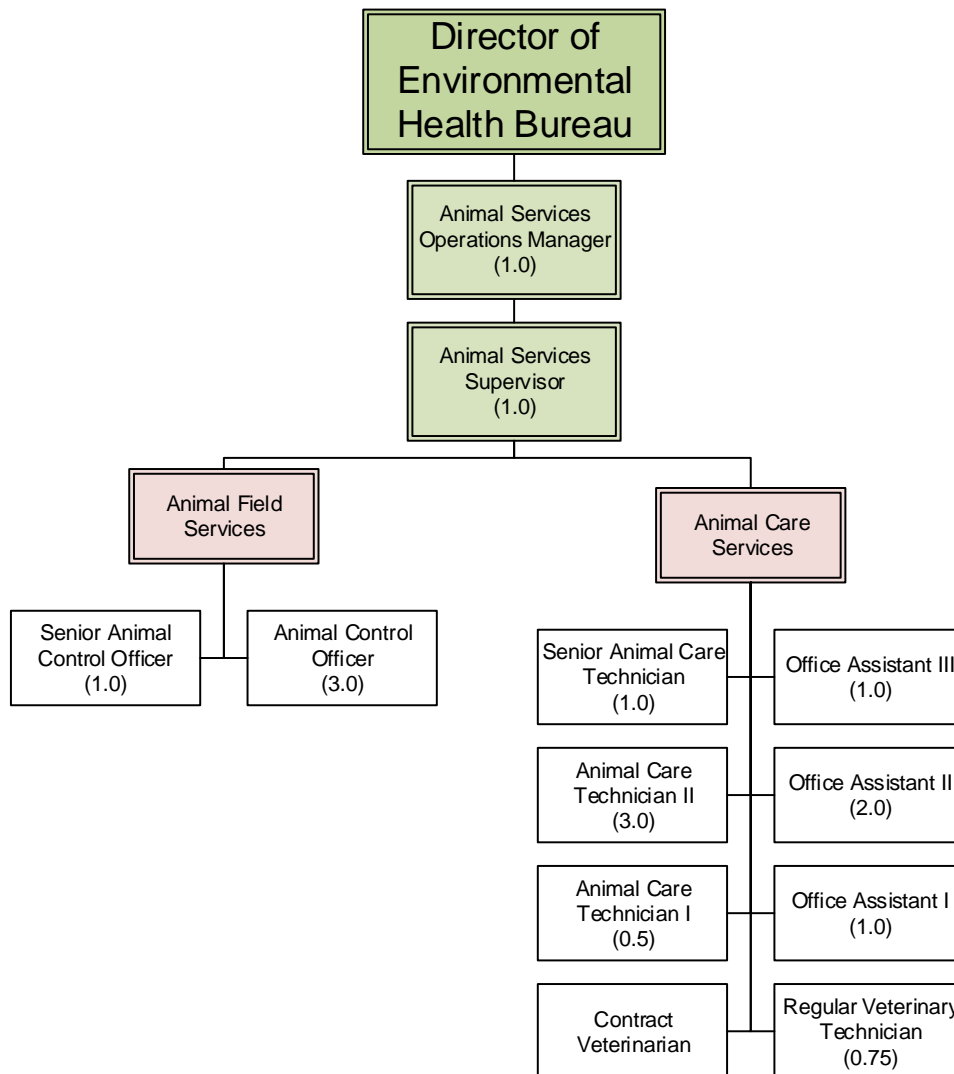
**Recommendation 4. Develop a formal communications protocol to deliver information of interest to animal services staff from managers.** Sometimes communication systems need to be formalized for field locations and field employees as information does not flow as freely as within a self-contained office.

**Recommendation 5. If a long-term employee cannot, with appropriate medical and/or psychological counseling and treatment, perform required job duties due to physical or emotional limitations, pursue disability retirement, transfer, or termination.** Allowing or encouraging such employees to remain at work causes resentment as well as reduced productivity.

### ***Organizational Structure and Staffing***

Figure 1 shows the current organization structure of the Monterey County Animal Services Division. Several positions, such as a dispatcher and supervisory personnel were eliminated during the Great Recession. Lead worker positions replaced the supervisory positions. The supervisor position has been reinstated, but has remained vacant pending the results of this study. In the absence of a supervisor position, the operations manager has a wide span of control with 14 direct reports, two of which are part-time employees. Such a span of control is too great, considering the issues and needs in the department.

Figure 1. County of Monterey Animal Services Current Organization Chart



Note: The animal services supervisor position is currently vacant.

Although animal care staff indicated they are very lean, it is sufficient most days of the week, based on industry standards of care as outlined by the Association of Shelter Veterinarians (ASV). The ASV standards of care require that each animal should receive 15 minutes of care time per day for feeding and cleaning.

Table 5 shows the total minutes that animal care staff are on hand per day at the shelter and the number of animals that could be cared for per day based on the ASV standards. Over the past calendar year Monterey County housed, on average, 75 animals per day. In order to meet the ASV standard of care for 75 animals, the County would need to schedule 1,125 minutes of total care for the animals per day.

*Table 5. Total Minutes of Available Animal Care per Day*

	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday
<b>Minutes of Care Available</b>	1,680	720	1,680	2,220	2,460	1,980	2,160
<b>Number of Animals</b>	112	48	112	148	164	132	144

As the table shows, Monterey County is staffed to care for only 48 animals on Sundays and up to 164 animals on Wednesdays if adhering to the industry standard for the amount of staff time available to care for animals. Monterey County fails to schedule the amount of time needed to meet industry standards of care on Sundays based on the average number of animals housed per day. It may be possible to ensure minimum coverage on Sundays with shift schedule modifications, or by augmenting staff with volunteers on that day.

The volunteer program has dwindled and become ineffective with no one to manage or oversee volunteers. In addition, the nonprofit agency supporting the shelter is no longer providing support.

A contract veterinarian provides neutering service one day a week. Because all adopted animals must be neutered before being released, this increases the total amount of time an adopted animal has to remain in the shelter. As a result, the capacity is diminished, causing an increase in the potential need for euthanasia. However, the greatest number of dogs and cats on any given day in Monterey County during FY 2014-15 was 79 dogs and 52 cats, which are both below their maximum capacity; cats significantly so.

A feral/stray cat program is no longer provided, which reduced the euthanasia rates. Cats surrendered by the public are still accepted but since cats are not felt to be a risk for spreading rabies, the need for the feral/stray cat program is not mission-critical for the division. In spite of this, staff members indicated they would like to be able to provide this service again.

A three-quarters time veterinary technician is underutilized since neutering only happens one day a week. However, this person also assists with other duties when not performing veterinary tech responsibilities.

The dispatching of animal control officers lacks controls since the dispatcher and animal control supervisor positions were eliminated. Calls are answered by office assistants and forwarded to animal control

workers’ voicemail, who then respond according to their own priorities. Residents are sometimes being transferred to voicemail.

Table 6 shows annual field calls for service for the past five years. Total calls for service have decreased considerably since FY 2010-11 when there were 6,165 calls for service. Calls dropped to a low of 3,267 in FY 2013-14 before climbing slightly to 4,345 in FY 2014-15; still 42% fewer than were made in FY 2010-11.

*Table 6. Field Calls for Service*

Fiscal Year	Field Calls
<b>FY 2010-11</b>	6,165
<b>FY 2011-12</b>	4,656
<b>FY 2012-13</b>	3,322
<b>FY 2013-14</b>	3,267
<b>FY 2014-15</b>	4,345

The number of animal-related administrative citations issued by ACOs for each of the last five years is presented in Table 7. It shows a significant decrease in issued citations since FY 2010-11. Before staff cuts, animal control officers had a practice of going door to door and issuing citations when warranted. Administrative citations may be issued for code violations that pose, “less than a serious or immediate threat to the public health, safety and welfare” (County Code of Ordinances, §1.22.020, Definitions). Citations come with a \$100 fine for the first violation, a \$200 fine for the same code violation within one year, and a fine of \$500 for each additional (similar) violation within one year.

*Table 7. Field Citations Issued for FY 2010-12 to FY 2014-15*

Fiscal Year	Total Citations Issued
<b>FY 2010-11</b>	196
<b>FY 2011-12</b>	70
<b>FY 2012-13</b>	36
<b>FY 2013-14</b>	69
<b>FY 2014-15</b>	72
<b>Five-Year Average</b>	<b>89</b>

Animal control officers are no longer allowed to collect revenue, in any form, in the field. During interviews, some staff indicated this has caused a decrease in compliance; however the number of field-issued licenses in FY 2014-15 is higher than for the prior three years.

**Recommendation 6. Improve accountability by strengthening supervision of operations, including animal control officers in the field.** Instituting workload performance measures, such as the number of field calls per ACO, and capturing data on the types of calls responded to would improve understanding of the nature and volume of work being conducted in the field.

**Recommendation 7. Fill the restored animal services supervisor position as supervisor of the animal control function.** This will provide greater supervision of the animal control function and allow the operations manager more time for management functions such as volunteer coordination and grants management.

**Recommendation 8. Analyze staffing needs (especially as compared with industry standards) and determine whether the lead animal control officer position is needed once the animal control supervisor position is filled.**

**Recommendation 9. Increase the contract veterinarian's time to two days a week.** This will improve customer service by allowing people to take home their adopted pets sooner.

**Recommendation 10. Change veterinary technician hours to when the veterinarian is present or when animals need that extra level of care.** Any saved hours can be added to animal care services.

**Recommendation 11. Train office assistants to directly dispatch animal control calls from residents rather than transferring them to voicemail (under the supervision of the animal control supervisor).** This will improve customer service and help ensure calls are appropriately prioritized.

**Recommendation 12. Initiate discussions with the nonprofit organization that at one time provided support to the shelter.** Exploring the types of activities the organization leaders wish to engage in could provide additional support and energy to the County.

## ***Use of Technology***

The Chameleon animal case management software is being used by the County, but it not to its fullest extent. For example, it is not being used for dog licensing, which is done manually. Basic reports that are available in Chameleon are not being used to support operational decision making. This may be due to a lack of training in how to generate such reports.

We were told by animals services staff that the County is not using Chameleon for dog licensing because it took County IT too long to write programming to correctly transfer existing dog licensing data to the Chameleon system.

The ACO vehicles are all equipped with laptops with wireless access. Although during interviews we were told ACOs cannot access Chameleon's licensing records from the field, it is unclear why this is the case.

**Recommendation 13. Contract dog licensing to Chameleon.** If necessary, use an outside contractor to provide the interface between existing data and Chameleon. Chameleon licensing has been cost-effective for many other animal control jurisdictions as compared to manual systems, including the City of Salinas.

**Recommendation 14. Provide training on the features and uses of the Chameleon system.**

## ***Facilities***

Monterey County has a modern, new facility. According to staff, it averages 60% capacity. With a total capacity of 193 animals and an average daily population of 75 animals, the shelter is actually operating at approximately 39% capacity. Rarely is there a need to euthanize adoptable animals due to lack of space. As mentioned above, the surgical center is significantly underutilized, with neutering occurring only one day per week.

**Recommendation 15. Explore allowing veterinarians to contract with the County to provide neutering, micro chipping and vaccination services to the general public and/or other agencies.** (This is in addition to increasing in-house neutering to two days per week.)

### ***Needed Programs***

Animal control officers are provided with printed information about expired licenses to help them canvass for unlicensed pets, but there is no formal canvassing program to identify pets that have never been licensed. Periodic canvassing is a proven strategy for increasing the licensing compliance rate. In some jurisdictions, animal control officers have responsibility for canvassing when not on calls. Some animal control agencies contract with a private vendor to perform this service in return for a percentage of new licenses issued in the field. Regardless, revenues may be generated with such a program.

There is minimal public education or outreach to promote adoptions or responsible pet ownership. Implementing such a program would be consistent with the County's stated mission.

**Recommendation 16. Initiate a canvassing program to promote licensing of previously unlicensed pets.**

**Recommendation 17. Develop and execute a more robust public education and outreach program to encourage responsible pet ownership.**



## City of Salinas Animal Services

### ***Background and Service Profile***

The Animal Services Division of the Salinas Police Department provides animal control, animal sheltering, licensing and related services for the City of Salinas. It also provides sheltering services for the City of Marina through a contractual agreement.

Total expenditures, total revenues and revenues from licensing for the past five years for the Salinas Animal Services Division are detailed in Table 8. It shows total animal services expenditures increased from FY 2010-11 to FY 2014-15 by more than \$200,000, or 30%, over the five-year period. Meanwhile, total revenues have remained relatively flat, increasing by only 5% over the same five-year period. Even with the flat revenues, the division has been able to increase licensing revenues by 57% over the five-year period (from \$70,444 in FY 2010-11 to \$110,876 in FY 2014-15). As a result, licensing fees have grown from 29% of total revenues to about 43%.

*Table 8. Salinas Animal Services Budget Data from FY 2010-11 to FY 2014-15*

Budget Items	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<b>Total Expenditures</b>	\$759,995	\$806,131	\$851,176	\$861,425	\$988,400
<b>Expenditures per Capita</b>	\$4.33	\$4.59	\$4.85	\$4.91	\$5.63
<b>Total Revenues</b>	\$246,588	\$208,009	\$244,323	\$245,176	\$258,021
<b>Revenues per Capita</b>	\$1.40	\$1.18	\$1.39	\$1.40	\$1.47
<b>Revenues from Licensing Fees</b>	\$70,444	\$66,488	\$83,211	\$104,663	\$110,876
<b>Licensing Fee Percentage of Total Revenue</b>	28.57%	31.96%	34.06%	42.69%	42.97%

In FY 2012-13 the City contracted with Chameleon Beach to provide licensing services. Prior to that time, all licenses were processed in house. Staff attributes the steady growth in licensing revenue since FY 2011-12 to this contractual relationship. Chameleon also developed the animal

services case management system (“Chameleon/CMS©”) used by the Animal Services Division.

Animal Services is staffed with 11 total staff, 8 of which are full-time. All staff are based at the City’s animal shelter facility. A breakdown of the staff titles is shown in Table 9.

Table 9. Salinas Animal Services Authorized Staffing

Position	FTE
Animal Services Manager (currently vacant)	1.0
Animal Services Supervisor	1.0
Animal Care Technician (three full-time, one part-time)	3.5
Animal Care Worker (Part-Time)	0.5
Animal Control Officer	2.0
Animal Services Office Technician	1.0
Animal Services Aide (Two Part-Time)	1.0
<b>Total</b>	<b>10.0</b>

Salinas’ employees were on a mandatory furlough plan for five years for budget reasons. Employees had to take one unpaid day off during each pay period, resulting in a 10% pay reduction. The mandatory furloughs ended in July 2015.

Salinas has a total shelter capacity of 191 animals with 93 dog kennels, 92 cat cages and 6 rabbit hutches. Shelter and animal care data for the past five years is shown in Table 10. It shows that over the past five years the number of new licenses issued has increased by 67%. Again, this is largely attributed to the outsourcing of licensing services, and the ability to send scanned rabies certificates to the vendor for faster processing.

Table 10. Salinas Animal Shelter Data from FY 2010-11 to FY 2014-15

Shelter Data	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	Percent Change over Five Years
Number of New Licenses Issued	2,395	2,849	3,005	3,295	4,009	67%
Total Impounds	4,533	4,813	4,621	3,629	3,899	-14%
Cat Impounds	2,133	2,211	2,121	1,859	1,980	
Dog Impounds	2,248	2,427	2,380	1,958	1,793	
Total Adoptions	530	531	511	538	457	-14%
Cat Adoptions	239	264	222	213	144 <sup>1</sup>	

Shelter Data	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	Percent Change over Five Years
Dog Adoptions	278	262	284	320	309	
Total Returned-To-Owner (RTO)	470	465	470	405	446	-5%
Cat RTO	40	24	31	17	36	
Dog RTO	429	439	437	385	410	
Total Transfers	1,455	1,384	1,375	1,037	969	-33%
Cat Transfers	359	252	267	230	265	
Dog Transfers	1,028	1,041	1,060	763	640	
Total Euthanasia	1,722	2,099	1,946	1,587	1,457	-15%
Cat Euthanasia	1,327	1,529	1,459	1,196	1,069	
Dog Euthanasia	429	562	480	384	380	

<sup>1</sup> "Kitten season was delayed" affecting the number of available cats

Each of the other metrics shown in Table 10 has decreased in the past five years. Impounds have decreased by 14%, adoptions by 14%, pets returned-to-owner by 5%, and transfers by 33%. The number of euthanized animals has dropped by 15%. According to staff, the decrease in impounds is partially explained by the closure of a night drop box in FY 2012-13 and no longer accepting owner-surrendered animals in FY 2013-14.

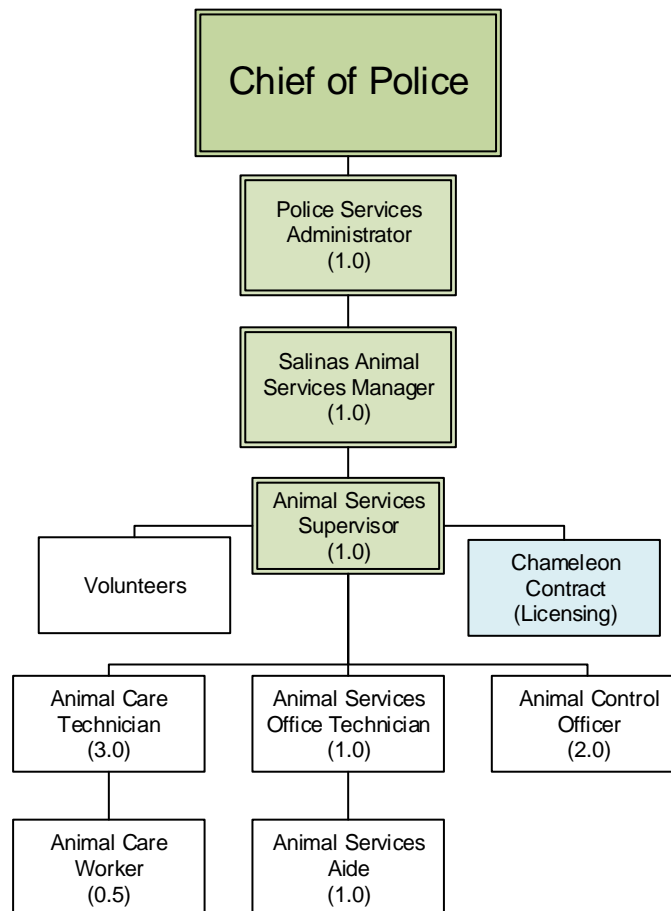
Field services are provided by two animal control officers (ACOs) who enforce City animal codes; pick up stray, lost, injured and/or aggressive animals within the City's limits; and monitor quarantined and potentially dangerous or vicious dogs to ensure they are properly confined. These officers are not currently allowed to issue licenses in the field, although they reported they have done so in the past. This practice was stopped in 2009 when the number of ACOs was reduced.

The Animal Services Division also conducts regular public education and outreach activities and holds periodic fundraising events to support the shelter and its services.

### **Organizational Structure and Staffing**

The City's animal services function has the same number of staff as when the shelter opened in 2000. Most of the individuals interviewed, whether located at the shelter or deployed in the field, indicated they are understaffed for the volume of work. Figure 2 shows current staffing configuration.

Figure 2. *City of Salinas Animal Services Current Organization Chart*



At the shelter, there are times when coverage is limited to only one person. Two times specifically mentioned as being particularly difficult for shelter staff are the beginning of the day and the end of the day. At times the ACOs are directed to delay their field work to help clean the kennels, but this is happening less frequently than it has in the past.

According to staff, there are not enough shelter intake staff members to handle the volume of stray dogs. When a third ACO position was eliminated the number of animals brought in over the counter increased by 10% to 12%, increasing the workload of front office and intake staff. However, a new animal care technician was recently hired to fill a vacancy and a part-time animal care technician has been hired on a temporary basis pending the outcome of this study. Transmittable disease rates are down and staff have been able to place most healthy dogs in new homes, creating a low euthanasia rate.

Volunteers could be used more effectively and more would be helpful to supplement existing staff. The need for a designated volunteer coordinator was a common theme from the interviews.

The animal services supervisor has seven direct reports. According to the organization chart, however, the vacant animal services manager position has only one direct report and shares supervision of the volunteers with the animal services supervisor.

The vacant animal services manager position provides an opportunity for shared management of both the City and County Animal Services functions. However, if shared services are not feasible or desired, the manager position should be filled as soon as possible. When filled, the animal services manager position should focus on volunteer coordination, applying for and managing grants, fund raising, community outreach, and other related activities. The animal services supervisor is, effectively, the operations manager.

The two ACOs work Monday through Friday. They rotate being on call during evenings and weekends for emergency response. When one is on vacation, the other ACO is on call for the duration, although the Police Department may provide backup if necessary. The need for at least one additional ACO was mentioned during several interviews. Annual field calls for service from FY 2010-11 to FY 2014-15 are provided in Table 11. It shows that total calls for service have been consistent at approximately 2,600 per year for the past three years.

Table 11. Field Calls for Service

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Fiscal Year	Field Calls
FY 2010-11	3,115
FY 2011-12	2,839
FY 2012-13	2,621
FY 2013-14	2,613
FY 2014-15	2,641

Assuming the current five-day work week, the field call workload is approximately 10 calls per day, or five calls per day per ACO. However, some types of calls, such as reports of vicious or dangerous animals, require both ACOs to respond. The field calls for service, combined with the periodic need for ACOs to support shelter operations, make it

difficult for the ACOs to perform proactive enforcement or canvassing activities.

**Recommendation 18. Add a third animal control officer position.** Due to the existing span of control for the animal services supervisor, consider designating one of the ACOs as a lead.

Shelter staffing is barely sufficient to meet minimum standards. Industry standards of care as outlined by the Association of Shelter Veterinarians (ASV) note that each animal should receive 15 minutes of care time per day for feeding and cleaning. Table 12 shows the total minutes that animal care technicians are scheduled to be on hand per day at the shelter and the corresponding maximum number of animals that could be cared for using the ASV standards.

*Table 12. Total Minutes of Available Animal Care per Day*

	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday
<b>Minutes of Care Available</b>	1,680	540	1,200	2,700	2,460	2,460	2,160
<b>Number of Animals</b>	112	36	80	180	164	164	144

Over the past calendar year Salinas housed an average of 89 animals per day. In order to meet the ASV standard of care for 89 animals, Salinas would need to schedule 1,335 minutes of total care for the animals per day. As Table 12 shows, Salinas is staffed to care for only 36 animals on Sundays, but up to 180 animals on Tuesdays if adhering to the industry standard. The current staff schedule is insufficient to meet industry standards of care on Sundays and Mondays based on the average number of animals sheltered per day.

Salinas reported the use of volunteers who help clean cats, walk dogs, do laundry, transport animals to and from the vets, release feral cats and more. There are 20 to 25 active volunteers who contribute around 3,500 hours of service per year. Depending on the scheduling of volunteers, Salinas may get closer to reaching the standards for animal care.

**Recommendation 19. Assure there is sufficient staffing to meet industry standards for shelter care.**

**Recommendation 20. Hire a volunteer coordinator when funding permits.** Even if the position is funded on a half-time basis, the coordinator is likely to organize much-

needed assistance from volunteers to provide some shelter services currently handled by staff. It is estimated that a half time position would cost approximately \$37,500.

## ***Organizational Culture***

City employees were generally quite positive about their organization. They believe their staff is outstanding, and has a good reputation. They reported communication with management is good. When asked “what does your department do best?” the immediate reply was “we care.” Employees take great pride in their work, and the care they provide to animals at the shelter. Additional themes from interviews are included below.

- Some individuals interviewed indicated that while they like their job, the pay is too low and they haven’t had a raise in a number of years. As mentioned previously, employees were on mandatory furlough until July 2015, which further suppressed compensation. There were also some comments that positions had been promised to be upgraded and that the promises never materialized.
- The ACOs reported a lack of ongoing professional development or training.
- Some of the staff interviewed mentioned a concern about the “toxicity” of the internal County Animal Services culture, but they work cooperatively with County staff and recognize the value of the County’s facility. However, perceived differences in organizational culture and work conditions between the City and the County were mentioned as barriers to collaboration numerous times. For example, Salinas’ field service territory is fairly confined and more urban, while the area served by the County is spread out and more rural. Staff also cited differences in the “mission” of each agency as a potential barrier.
- Several staff interviewed indicated being fearful that the City and County functions would be combined and they would end up together. Many expressed that they would not want to be County employees. Several employees have worked for the County previously, and prefer working for Salinas.

**Recommendation 21. Expand official communications to build upon the positive organizational culture and help reduce possible misinformation and spread of rumors.**

## ***Use of Technology***

The City contracts with Chameleon for licensing services and it is done efficiently as a result. They report being satisfied with Chameleon software. It will be important to train the new animal services manager on its use.

However, technology could be better in the field. ACO trucks do not have mobile data computers, tablets or other devices that allow them to access Chameleon's licensing records from the field. Instead they have to call in to the shelter staff for that information.

**Recommendation 22. Determine the feasibility of establishing field connections to Chameleon via a tablet or other mobile device.**

The City has begun using new accounting software and there is a need for additional training on the new system.

## ***Facilities***

The shelter facility is inadequate by most standards. The roof leaks, there are mice and sometimes birds get in, making food storage challenging. The shelter has limited space. Not only does the lack of space limit storage, it also will make it difficult to accommodate additional staff, if hired. In addition, the shelter is in a flood plain and there is concern about it washing away in El Niño rains this coming year. (An evacuation plan is being developed.)

Staff members are proud of being able to control transmittable diseases, but indicated the condition of the shelter makes it difficult. The layout of the City shelter makes it more difficult to isolate or quarantine animals to prevent the spread of disease.

**Recommendation 23. Evaluate physical condition of shelter, especially as it relates to withstanding El Niño conditions.** Make any necessary repairs and modifications to maintain shelter for the short term (approximately one year). Communicate results to shelter employees.

**Recommendation 24. Develop a long-range plan for shelter maintenance and improvements (should the City decide to maintain current operations).** This will provide capital budgeting information, as well as provide



comparative cost information if considering collaboration with other agencies.

The ACO trucks are eight years old (2007) and have approximately 150,000 miles on them. There is currently no vehicle replacement plan, although we understand the City is in the process of developing one for all vehicles.

**Recommendation 25. Ensure vehicles assigned to the animal control officers are included in the City's vehicle replacement plan with appropriate funding.**

### ***Needed Programs***

There is no formal canvassing program for licensing, primarily due to the lack of staff and ACO capacity. Salinas has 6,458 active licenses as of September 11, 2015, and staff estimates the compliance rate at 16.5%. Based on the AVMA pet ownership calculator, the estimated number of dogs in Salinas is approximately 33,790, which indicates Salinas is achieving a 19% compliance rate for licensing. Periodic canvassing is a proven strategy for increasing the licensing compliance rate. Some animal control agencies contract with a private vendor to perform this service in return for a percentage of new licenses issued in the field.

**Recommendation 26. Institute a regular canvassing program to increase licensing compliance.**

There is no inexpensive neutering or vaccination clinic available to City residents to help reduce the unwanted animal population. However, such a clinic recently began operation in the City of Marina. The County's vet clinic appears to be underutilized. There may be an opportunity to partner with either or both of these entities

**Recommendation 27. Investigate available funding and facilities for a public, low cost, neuter and vaccination clinic.**

## Opportunities for Shared or Consolidated Services

There are many opportunities for sharing or consolidating animal services between the City and County. In fact, the more the City and County are able to collaborate, the greater the potential for improved customer service, efficiency and effectiveness. The close proximity of the two shelters provides an opportunity to leverage resources to the benefit of each agency, as well as the community being served. This section describes the most promising options as well as their potential benefits, costs and operational challenges.

The first four options discussed below will affect employees in both organizations. Therefore, it will be important to involve SEIU early in the process. The SEIU regional director indicated general support for sharing services and increased efficiency, as well as a desire to be involved in discussions about working conditions.

Annual costs for the various options were derived from the top step of existing salary schedules and applying a 70% benefits rate. For new position classifications, comparable level position salaries were used.

Before discussing the options for sharing or consolidating services, it is helpful to have some context about the similarities and differences in the population and service area as well as revenues and expenditures of both operations. The tables and figures below provide this context.

### ***Population and Service Area***

Table 13 shows the population served by Monterey County (107,754) and Salinas (175,592). Monterey County Animal Services provides service to the unincorporated areas of Monterey County, Sand City, and Carmel-by-the-Sea. Salinas serves its own population as well as that of Marina.

Table 13. Populations Served and Service Area

Jurisdiction	Population*	Service Area (square miles)
Sand City	362	
Carmel-by-the-Sea	3,747	
Unincorporated Monterey County	103,645	
<b>Total Monterey County</b>	<b>107,754</b>	<b>3,215</b>
Salinas	154,720	
Marina	20,872	
<b>Total Salinas</b>	<b>175,592</b>	<b>32</b>

\*California Department of Finance 2015 Population Estimates

As the table shows, Monterey County Animal Services is responsible for a much larger area, 3,215 square miles, than Salinas, which is responsible for 32 square miles. Salinas, however, serves a larger population.

### **Revenues and Expenditures**

The Monterey County Animal Services total expenditures and total revenues (including licensing revenues for the past five years) are detailed in Table 14. As the table shows, total animal services expenditures in Monterey County increased from FY 2010-11 to FY 2013-14 by slightly more than \$200,000 during the four-year period. Expenditures dropped somewhat in FY 2014-15 from the previous year but are still 11% higher than during FY 2010-11. At the same time, revenues have decreased steadily over the five-year period, totaling a 37% decrease.

Even with the decrease in total revenues, the department has seen licensing revenues increase by 62% over the five-year period (from \$108,847 in FY 2010-11 to \$176,828 in FY 2014-15). As a result, licensing fees have grown from 23% of total revenues to nearly 60%.

Table 14. Monterey County Animal Services Budget Data from FY 2010-11 to FY 2014-15

Budget Items	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<b>Total Expenditures</b>	\$1,622,601	\$1,678,060	\$1,739,417	\$1,837,125	\$1,801,963
<b>Expenditures per Capita</b>	\$15.06	\$15.57	\$16.14	\$17.05	\$16.72
<b>Total Revenues</b>	\$472,336	\$456,866	\$368,783	\$332,947	\$296,156
<b>Revenues per Capita</b>	\$4.38	\$4.24	\$3.42	\$3.09	\$2.75
<b>Revenues from Licensing Fees</b>	\$108,847	\$73,464	\$79,533	\$167,787	\$176,828
<b>Licensing Fee Percentage of Total Revenue</b>	23.04%	16.08%	21.57%	50.39%	59.71%

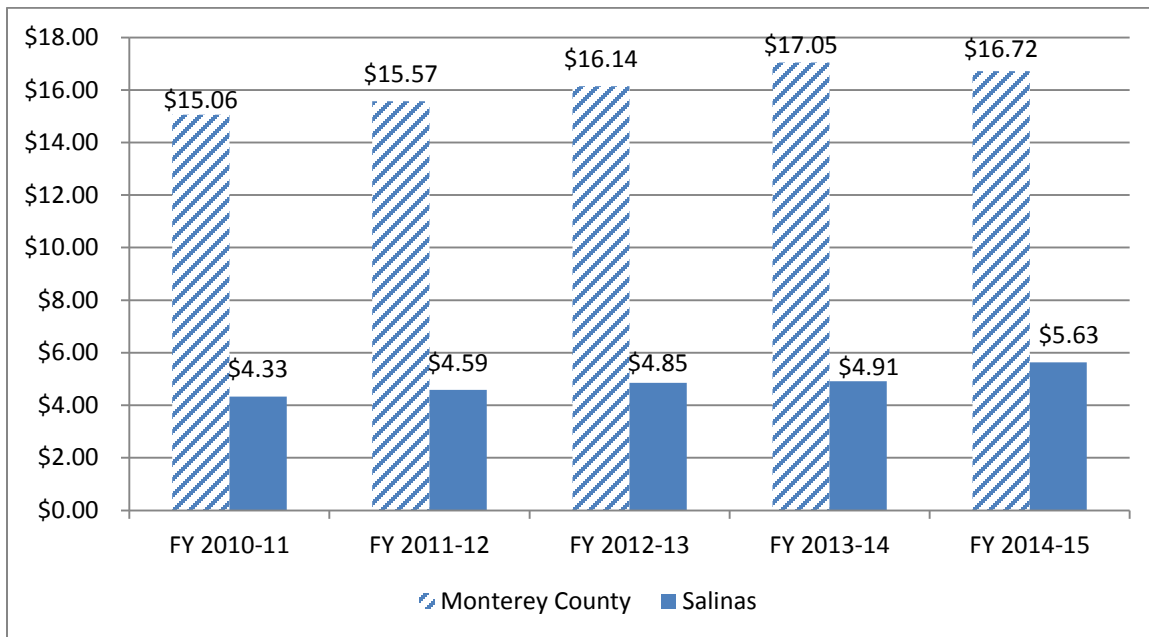
Salinas' animal services expenditures and revenues are detailed in Table 15. As the table shows, total animal services expenditures in Salinas increased from FY 2010-11 to FY 2014-15 by more than \$200,000, or 30%, over the five-year period. Total revenues have remained relatively flat during that time, increasing by only 5%. Even with flat revenues, licensing revenues increased by 57% during the five-year period (from \$70,444 in FY 2010-11 to \$110,876 in FY 2014-15). As a result, licensing fees have grown from 29% of total revenues to about 43%.

Table 15. Salinas Animal Services Budget Data from FY 2010-11 to FY 2014-15

Budget Items	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<b>Total Expenditures</b>	\$759,995	\$806,131	\$851,176	\$861,425	\$988,400
<b>Expenditures per Capita</b>	\$4.33	\$4.59	\$4.85	\$4.91	\$5.63
<b>Total Revenues</b>	\$246,588	\$208,009	\$244,323	\$245,176	\$258,021
<b>Revenues per Capita</b>	\$1.40	\$1.18	\$1.39	\$1.40	\$1.47
<b>Revenues from Licensing Fees</b>	\$70,444	\$66,488	\$83,211	\$104,663	\$110,876
<b>Licensing Fee Percentage of Total Revenue</b>	28.57%	31.96%	34.06%	42.69%	42.97%

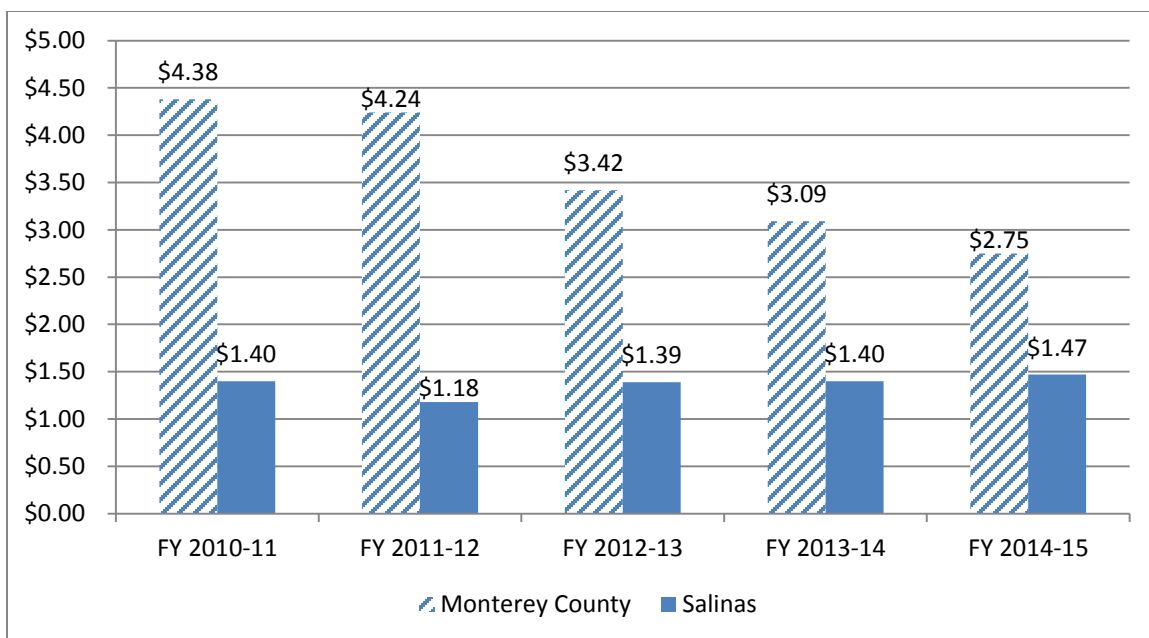
Figure 3 compares the expenditures per capita for both Monterey County and Salinas over the five-year period. Monterey County consistently spends more per capita on animal services than Salinas. Possible reasons for this include the lower density and larger geographic area Monterey County has to cover compared to Salinas and the County's responsibilities for rabies prevention. Other factors could be differences in the level of investment in facilities and equipment or overhead costs. Per capita expenditures should not be used as a measure of efficiency or cost-effectiveness without further analysis.

Figure 3. Expenditures per Capita for Monterey County and the City of Salinas



A comparison of revenues per capita is shown in Figure 4. Similar to expenditures, Monterey County consistently has higher revenues per capita than Salinas.

Figure 4. Revenues per Capita for Monterey County and the City of Salinas



### ***Option A: Share an Animal Services Director to Oversee both Operations***

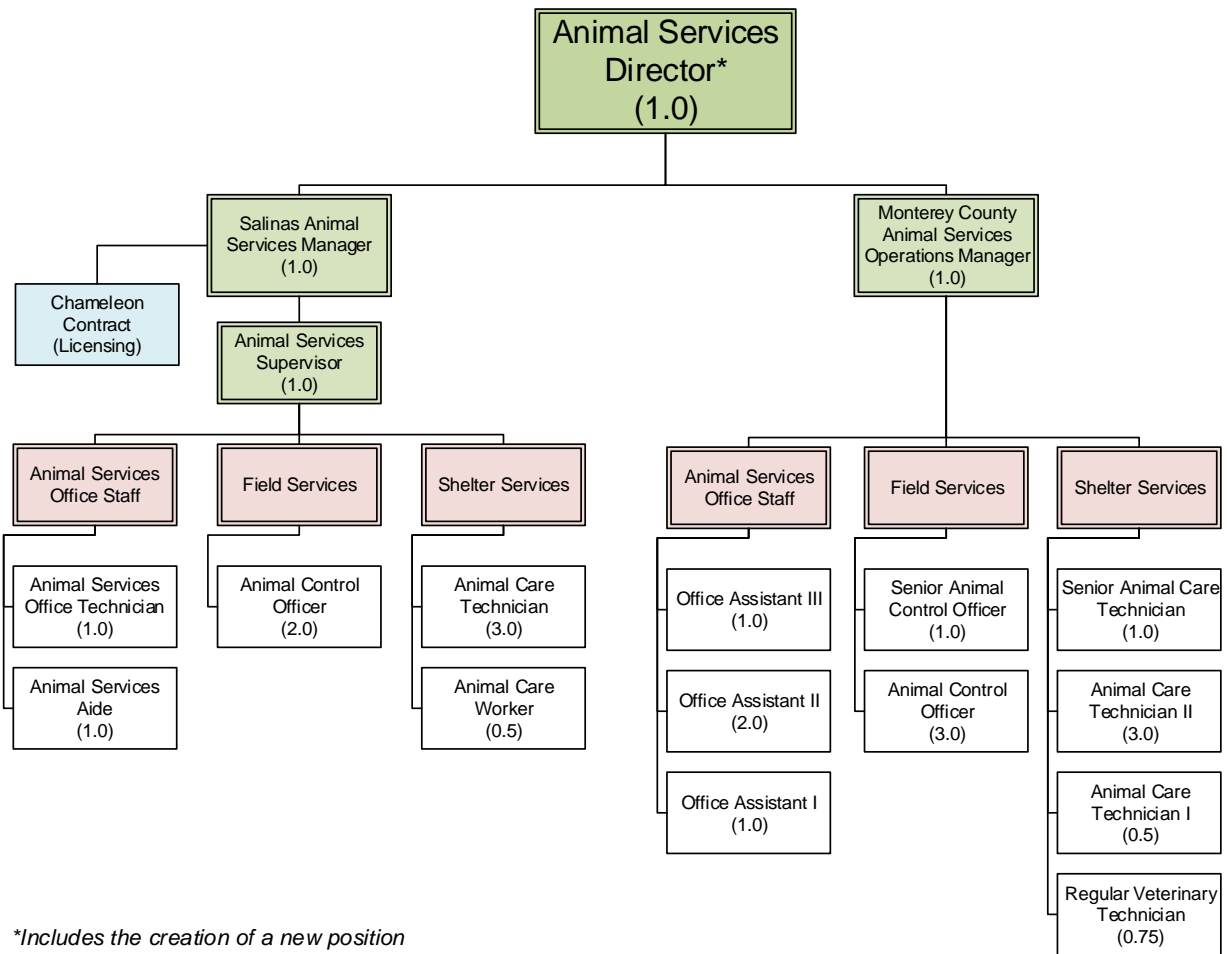
Currently both the City and County animal services operations are without permanent managers. Consequently, this is an opportune time to consider sharing that function by having one animal control manager supervise both operations. The close proximity of the City and County shelter facilities and the similarities of animal services provided make it possible for them to be managed by one individual. This would require the City and County to enter into a contractual agreement to share the costs for a position.

Although it would be possible to consolidate the two existing animal service manager positions, it is not recommended. The two animal services operations would continue to be otherwise independent, with different organizational cultures, different operating rules and procedures, and slightly different missions. A shared manager essentially means each agency would have a manager only 50% of the time. This is likely to be an insufficient level of oversight for either operation.

Should the County and City wish to share a management position, strong leadership and supervision will still be required at each animal services facility. A better option would be to share a director-level position supported by two animal services managers, one responsible for the City operation, and one responsible for the County operation.

Figure 5 below shows the organizational structure for this option.

Figure 5. Organization Chart for Animal Services Under a Shared Director



\*Includes the creation of a new position

### Advantages, Challenges and Costs

One advantage of this option is that it is relatively easy to implement. The impact on employees for each agency would be minimal, as they would continue to work for their respective agencies. By working on behalf of both agencies, a shared animal services director could help smooth any existing conflicts between the two agencies, and would be a natural to lead other consolidation opportunities if pursued.

However, Option A is not without challenges. For example, the City and County would need to determine which agency would employ the shared director, and which would contract for the director’s services. They would also need to agree on service levels and shared costs. There may be labor relations issues created by having one agency’s employee supervise the employees of the other agency. Because the two agencies have different work rules, policies, missions and organizational cultures,

it could be challenging to manage both of them effectively. In our experience, it is easier to manage one cohesive team than two disparate teams. Therefore, another challenge would be to bring the policies and procedures, where currently not aligned, into alignment.

In addition, Option A results in a management structure that appears somewhat top-heavy for Salinas, given the total number of employees. If the City and County decide to pursue this option, the need for the City animal services supervisor should be re-evaluated if the position ever becomes vacant.

This option also would not result in salary or other savings, due to the need to retain strong management positions at each facility. In fact, it would cost more, unless the City and/or County were able to reallocate other currently vacant positions. However, adding this position could enhance both agencies' capabilities for managing volunteers and pursuing grants.

The estimated annual cost of salary and benefits for a new animal services director position is \$160,000. Actual costs could vary depending on the exact salary range set. However, the County has a supervisor position available for reinstatement pending the results of this study. That position would not be required under this option, reducing net costs to about \$50,000.

### ***Option B: Share an Animal Services Director and Consolidate Field Services***

The County currently has three animal control officers (ACOs) and one senior animal control officer. The City has two ACOs. The County ACOs must patrol a significantly larger area, while the City ACOs respond to a larger population.

Table 16 below shows the number of service calls each animal control officer responded to, on average, each day for the past five years. Field service calls have decreased by 30% over the five-year period, with each animal control officer responding to 6.17 calls per day on average in FY 2010-11 and only 4.35 calls per day in FY 2014-15, which is a slight increase over FY 2013-14 when they responded to 3.27 calls per day, the lowest among all five years.



Table 16. Number of Field Call Responses per Animal Control Officer

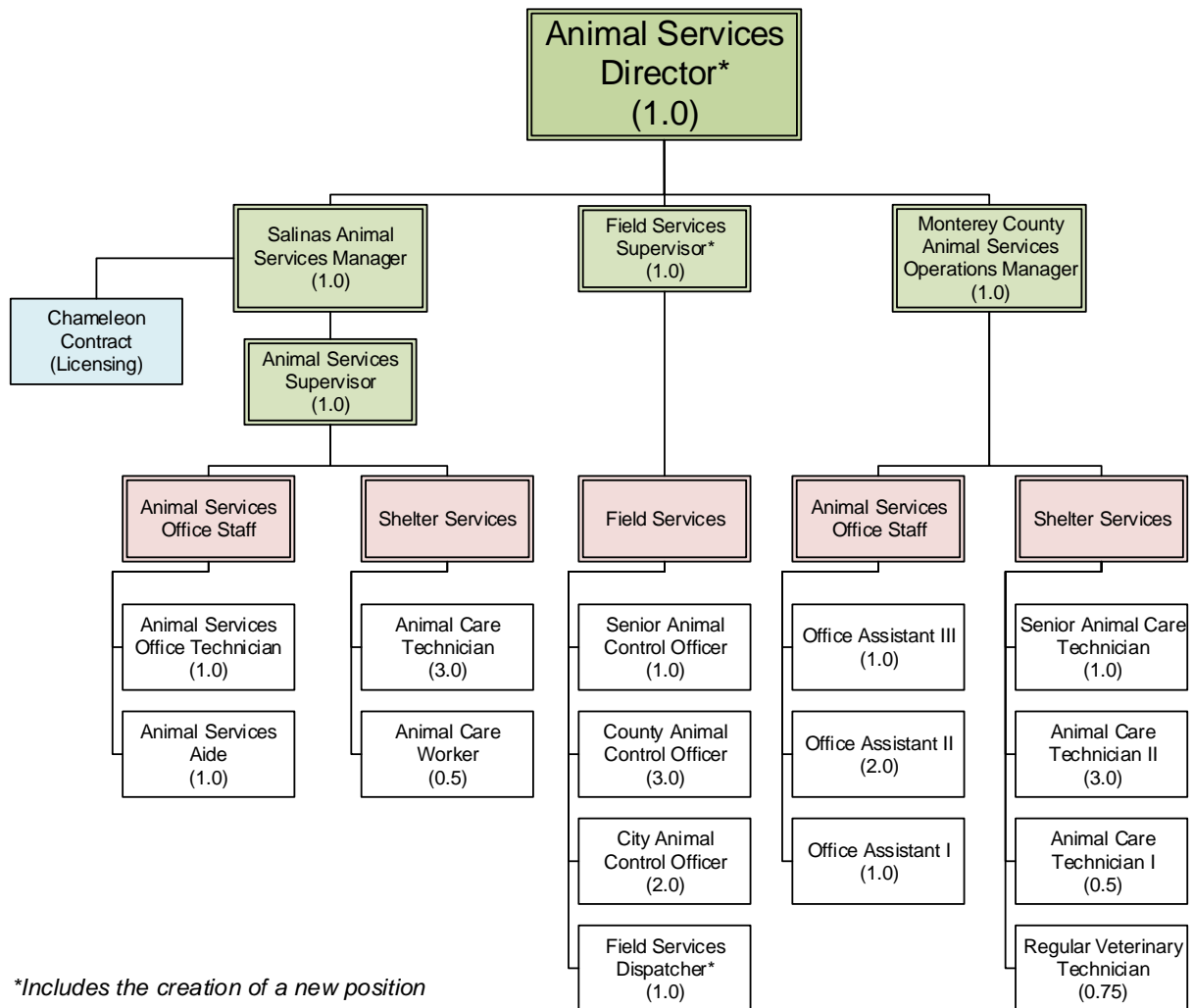
Monterey County	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	Percent Change in Five Years
Field Calls	6,165	4,656	3,322	3,267	4,345	-30%
Work Days per Year	250	250	250	250	250	
Calls per Day	24.66	18.62	13.29	13.07	17.38	
Calls per ACO per Day	6.17	4.66	3.32	3.27	4.35	
<b>City of Salinas</b>						
Field Calls	3,115	2,839	2,621	2,613	2,641	-15%
Work Days per Year	250	250	250	250	250	
Calls per Day	12.46	11.36	10.48	10.45	10.56	
Calls per ACO per Day	6.23	5.68	5.24	5.23	5.28	

Table 16 also shows that field service calls in Salinas have decreased by 15% over the five-year period, with each animal control officer responding to 6.23 calls per day on average in FY 2010-11 and 5.28 calls per day in FY 2014-15.

In addition to sharing an animal services director, this option involves entering into a contractual agreement to dispatch and deploy animal field services as a single entity. Like the previous option, it would not result in fewer staff, but it would provide mutual benefits to each agency.

With this alternative the animal control officers could continue to be employed by their respective agencies. However, they would be supervised by a new field services supervisor position, and dispatched from a single point of contact. Figure 6 shows the proposed organizational structure for this option.

Figure 6. Organization Chart for a Shared Director and Consolidated Field Services



\*Includes the creation of a new position

### Advantages, Challenges and Costs

This option offers improved customer service because it allows customers to call a single telephone number to report animal control issues, whether they live in Salinas or areas currently served by Monterey County.

Consolidation of field services would eliminate the need for Salinas to add an ACO, as has been recommended in a previous section of this report. Table 17 below shows the estimated calls per day per ACO under a consolidated model, using data for each jurisdiction for FY 2014-15. It assumes 250 work days per year.

Table 17. Estimated Field Call Responses per Animal Control Officer with a Consolidated Model

	Monterey County	Salinas	Combined Operation
Field Calls	4,345	2,641	6,986
Calls per Day	17.38	10.56	27.94
ACOs	4	2	6
Calls Per ACO per Day	4.35	5.28	4.6

A consolidated field services deployment would result in each ACO responding to between four and five calls per day on average. This would not be a significant change for the County ACOs, but would decrease the call volume for City ACOs from an average of five to six calls per day to a more manageable workload.

Overall coverage would improve by having more ACOs available to respond to calls for either jurisdiction. This improved coverage could result in increased revenues, in the form of license fees and fines for both agencies. Deployment also would be more efficient by reducing the geographic size of individual enforcement districts. The addition of a field services supervisor would also create a career ladder for the ACO staff that does not currently exist in the City and is marginal in the County.

To implement this option, the City and County would need to decide which agency would employ the field services supervisor, and which would contract for that position’s services. The contractual agreement would also need to identify shared costs and service levels.

The nature of field operations for the two agencies is very different. Salinas is more urban and condensed, while the unincorporated areas of the County (along with Carmel and Sand City) are geographically dispersed, and for the most part, more rural. To be effective, this option would require any differences in policy or operational procedures to be reconciled, because consolidated deployment is most effective when policies, procedures, and ordinances are consistent between the participating agencies.

For example, currently the County does not pick up stray cats, while the City does. The County enforces a rooster ordinance, while the City does not allow roosters within the City limits. These variations in policy would need to be identified and training would be necessary to ensure

ACOs are able to provide appropriate response, regardless of which jurisdiction they are working on a given day.

As with Option A, there may be labor relations issues created by having one agency's employee supervise the employees of the other agency. Additionally, it could be challenging for one supervisor to manage different employees operating under two different labor agreements. The fact that both Salinas and Monterey County ACOs are represented by the same union (SEIU) might mitigate this concern to some extent. The ability to deploy City and County ACOs interchangeably may create labor concerns, particularly since the salaries and benefits between the two agencies are different.

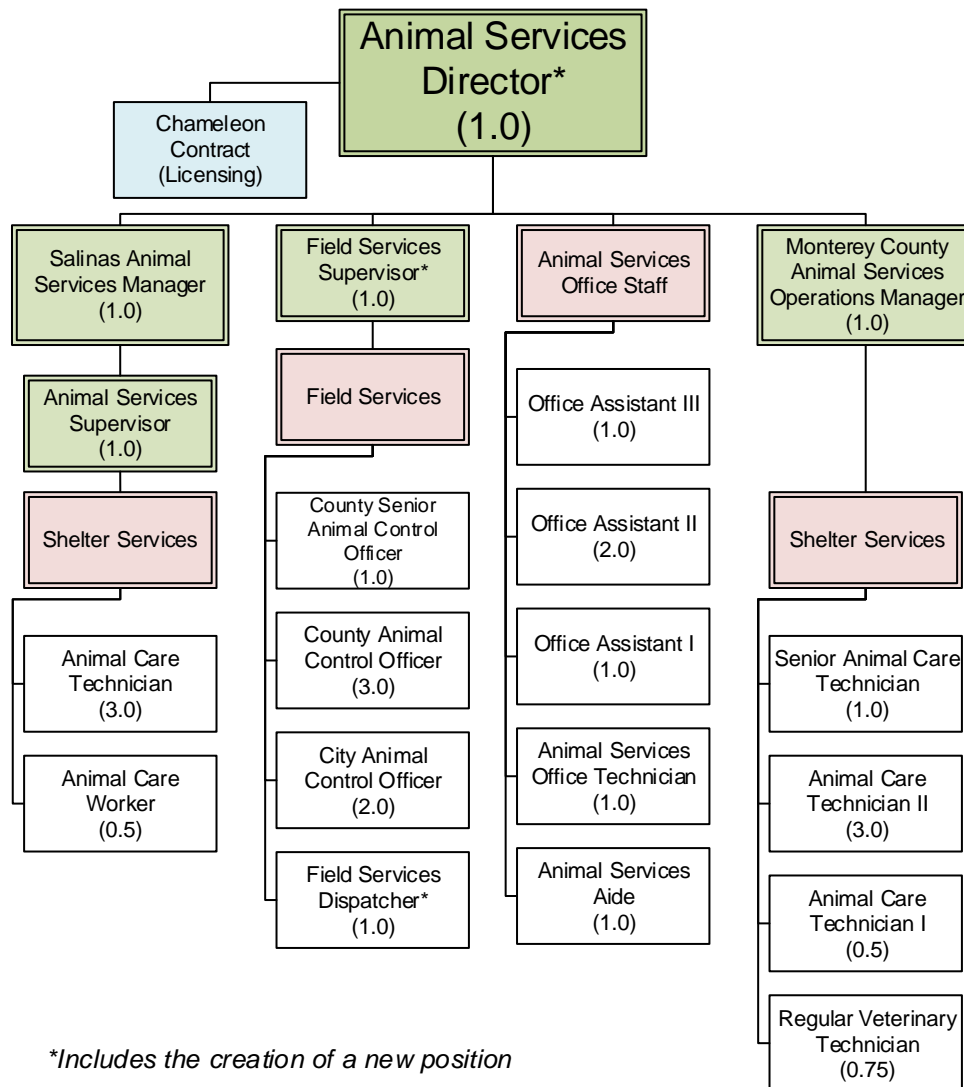
The estimated cost to implement this option is about \$273,000 annually. This includes the salaries and benefits of the new animal services director position of Option A, plus a field supervisor position. However, as previously mentioned, the County has a supervisor position available but unfilled pending the results of this study. If that position authorization was reallocated to the new position, the net annual cost would be about \$160,000.

Another alternative is to convert the County's senior animal control officer (ACO) position to a field services supervisor position. This could be achieved through attrition or through a reclassification process if the incumbent is qualified. A field services supervisor would cost approximately \$20,000 more than a senior ACO. The net annual cost for this alternative is approximately \$180,000.

### ***Option C: Share a Director and Consolidate Field Services, Administrative Support and Licensing Functions***

This third option builds on the prior two by consolidating administrative support and licensing services as well as field services. Figure 7 shows the proposed organizational structure. Option C assumes the County would enter into a contract with Chameleon Beach for pet licensing services similar to the one Salinas currently has.

Figure 7. Organization Chart for Shared Director and Consolidated Field, Licensing and Administrative Support Services



### Advantages, Challenges and Costs

Contracting with a private vendor for licensing services has the potential to generate additional revenues by increasing the options available to purchase a license. For example, County residents cannot renew their licenses online like City residents can. It also could encourage better use of the Chameleon software and services by the County, which could benefit from the City’s expertise with the system.

Consolidation of the administrative functions would improve customer service by providing a “one stop shop” for residents wanting to license a dog or inquire about a lost pet. It would no longer be necessary for staff

to determine whether the customer resides in their jurisdiction or not. This also would allow a redistribution of staff resources between the two agencies to address short-term fluctuations in workload without adding the total number of positions, and would improve both the City's and County's abilities to engage in public education and outreach.

In the short term, leveraging of the administrative staff between the two agencies, combined with outsourced licensing, would generate capacity to perform important administrative functions that are not currently being done or may have fallen behind, such as recordkeeping, or data tracking for purposes of performance measurement. In the long term it may be possible to reduce the number of administrative support positions through attrition, which would generate cost savings.

As with the other options, the City and County would need to agree on service levels and how to share costs, and any differences in policy or administrative procedures would need to be reconciled. Some modification in animal services fees and charges may be required to ensure they are the same for both agencies. Instituting a single schedule of fees and charges for both agencies is desirable in order to minimize confusion for both customers and the administrative staff.

The office assistant III would need to function as a lead for the group to help coordinate the flow of work and coverage at both facilities. There may or may not be additional costs associated with this added responsibility. The ability to move administrative staff between the two facilities may create labor concerns, particularly since the salaries and benefits between the two agencies are different.

Without any offsets or mitigating factors, this option would cost approximately \$340,000 annually in salaries and benefits. It includes three new positions: the director and field supervisor noted in Option B and a new dispatcher position estimated to be at the County's office assistant II level. The potential offset for the County's currently unfilled supervisor position would reduce this cost to approximately \$230,000 annually. However, given the efficiency improvements inherent in this option, it is likely that through attrition at least one administrative position could be eliminated, further reducing the cost to about \$160,000. The cost for the County to contract with Chameleon for licensing is unknown, but is likely to be covered by license revenues.

### **Option D: Fully Consolidate Animal Services Functions**

Option D envisions full consolidation of both City and County animal services into a single entity, either through a contractual agreement with one agency providing services to the other, or through a joint powers agreement. A joint powers agreement (JPA) would likely be the most cost effective solution in the long run.

Tables 18 and 19 provide data on the capacity of each organization’s animal shelter.

Monterey County has a total shelter capacity of 193 animals with 81 dog kennels and 112 cat cages while Salinas has a total shelter capacity of 191 animals with 93 dog kennels and 92 cat cages and 6 rabbit hutches.

*Table 18. Animal Shelter Capacity*

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Capacity	Salinas	Monterey County
<b>Dog Kennels</b>	93	81
<b>Cat Cages</b>	92	112
<b>Rabbit Hutches</b>	6	0
<b>Total</b>	<b>191</b>	<b>193</b>

Table 19 shows the FY 2014-15 average daily population of dogs, cats, and total animals in both shelter as well as the shelter capacity. On average in FY 2014-15 Monterey County’s shelter was full 39% of the time, with 65% of dog kennels full and 19% of cat cages full. Overall, Salinas was full 47% of the time, with 53% of dog kennels and 42% of cat cages full. Neither Monterey County nor Salinas reached maximum dog or cat capacity in FY 2014-15. Monterey County’s highest number of dogs and cats on a given day in FY 2014-15 was 79 dogs and 52 cats, which are both below their maximum capacity; cats significantly so. In Salinas, the most dogs and cats they housed in a given day was 82 dogs and 75 cats, also below their maximum capacity.

Although “maximum capacity” means the total available physical space for animals within a shelter, the actual working capacity may be less due to staffing levels or animals requiring quarantine at any particular time. In addition, it was pointed out to Management Partners that maximum capacity is not desirable because packed kennels led to increases in kennel cough and kennel stress in the dogs. In fact, the Salinas shelter

actually removed 10 kennels from service in FY 2013-14 because of animal health issues.

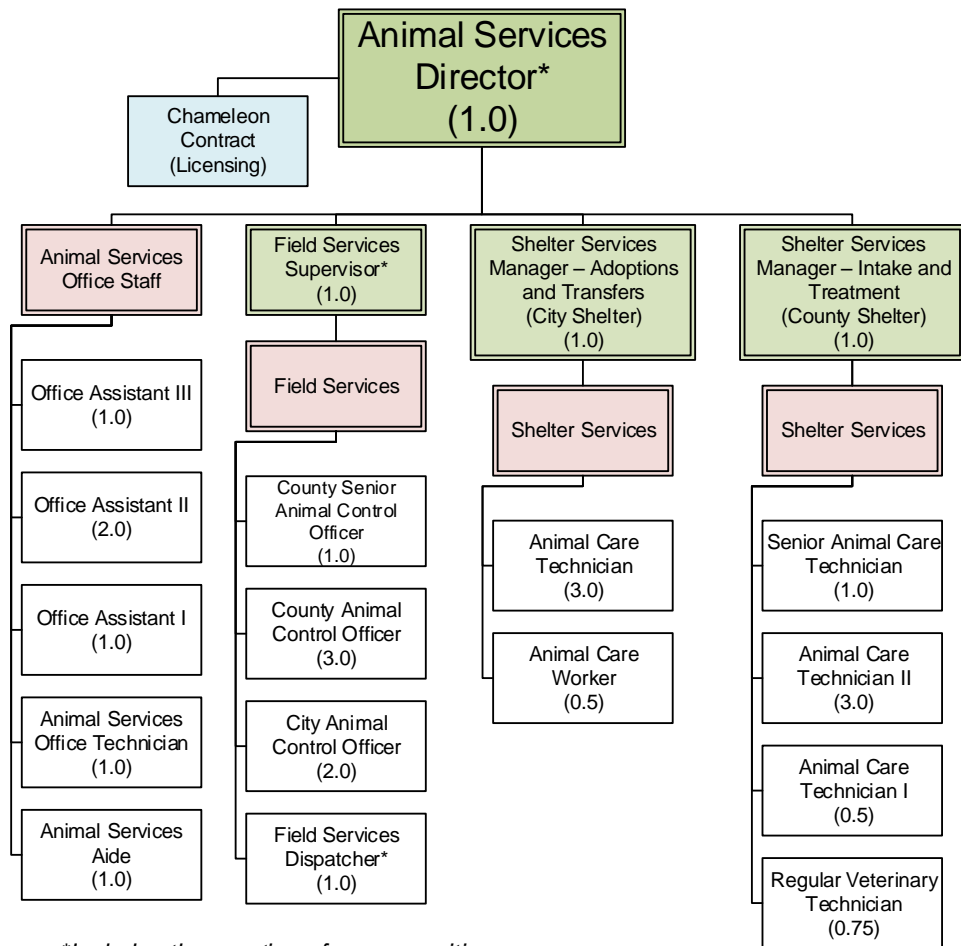
*Table 19. Animal Shelter Daily Population in FY 2014-15 Compared with Total Capacity*

Animal Type	Average Daily Population	Total Capacity	Percent Full
<b>Monterey County</b>			
Dog	53	81	65%
Cat	21	112	19%
<b>Total</b>	<b>75</b>	<b>193</b>	<b>39%</b>
<b>Salinas</b>			
Dog	49	93	53%
Cat	39	92	42%
<b>Total</b>	<b>89</b>	<b>191</b>	<b>47%</b>

A proposed organizational structure for a consolidated animal services agency is shown in Figure 6.



Figure 8. Organization Chart for Fully Consolidated Animal Services Organization



\*Includes the creation of a new position

With Option D, licensing, field services and administrative services be consolidated as well as shelter services. One facility (the County’s) would be used for the intake and treatment of animals from either jurisdiction, while the other facility (the City’s) would be used for adoptions and transfers to either owners or rescue organizations. Volunteer coordination would also be consolidated, and could be handled by existing animal services staff.

### Advantages, Challenges and Costs

This option would be the most difficult to implement, but has the greatest potential for improving customer service, efficiency and effectiveness. Shelter services represent the highest expense for any animal services operation due to the costs associated with facilities maintenance, personnel and supplies. Neither shelter is large enough or has sufficient capacity to take on impounds from the other agency. Consequently, full

consolidation of animal services has the potential to generate greater economies of scale and efficiency than any of the other available options by leveraging the resources of each shelter.

Customer service would be improved by providing a “one stop shop” for retrieving lost pets and adoptions. Residents would no longer need to determine whether they get services from the City or the County. All of the advantages for the other sharing options described above would also apply.

Disease control would be improved by using the County facility for intake and quarantine. The County facility is modern and the layout is more conducive to preventing the transmission of disease due to the availability of multiple potential quarantine areas. The point of intake is the time when disease transmission is most likely to occur.

Both animal services organizations are small enough that when combined, the new entity could still be nimble. It may be easier to meet minimum standards for animal care by being able to redistribute shelter staff between the two facilities as demand fluctuates.

As has been discussed earlier in this report, the City’s animal shelter facility is in poor condition and would still require capital investment to address some of the identified issues. It becomes even more important for the City and Council to agree to a single set of operational policies and procedures under a consolidated model.

Assuming a new JPA entity is formed, issues related to employee job retention and/or the transfer of employees from one agency to the other would need to be resolved. Agreement on the structure of the new agency and its governance would need to be reached, unless one agency contracts with the other.

Under a JPA, animal services operations for each agency would have a fresh start by creating a new organizational culture with a singular mission. It may be easier to reconcile existing differences in organizational culture under a new entity than any of the other options.

While service consolidation is likely to produce the best results over the long term, it is also the most difficult to achieve. In our experience, political issues such as concern over loss of control are likely to emerge, and consolidation usually results in unanticipated issues that may or may not be easily resolvable.

Together, Monterey County and Salinas have the potential to offer stronger regionalized animal services than either can currently provide

independently. Based on the experience of other counties and city-county collaborations, a successful, consolidated City-County program is likely to be an attractive option for other cities looking to improve the efficiency and effectiveness of their animal services arrangements.

With a JPA, there are a number of variables that will affect cost, including the level of overhead, the benefits offered to employees (including retirement), and the pay scale. This makes the costs difficult to predict. As proposed, Option D includes one less position than Option C and includes the likelihood of additional administrative savings as described under Option C.

Based on the current salary scale, benefits and overhead and without any offsets or mitigating factors, this option would cost approximately \$235,000 annually. Considering the County's unfilled supervisor position as an equivalent to the field services supervisor proposed, the cost would go down to about \$124,000. Administrative efficiencies could further reduce costs.

### ***Additional Sharing Opportunities***

Even if the City and County decide not to pursue any of these options, there are still opportunities to share services on a smaller scale for mutual benefit. For example, both could share use of the County's surgery unit. This unit is currently being used only once per week, and was most frequently mentioned as an opportunity for sharing resources during interviews.

Sharing the surgery unit provides better use of an existing underutilized resource, and could generate additional revenue for the County and/or facilitate the provision of additional spay and neuter services in the community. Depending on how the agreement is structured, sharing the surgery unit and veterinarians providing surgery could reduce the City's costs and staff time needed to facilitate the neutering and spaying of pets.

As with the other options discussed, the ability to share the surgical unit would require agreement between the City and County on how costs would be apportioned, or the establishment of a reasonable rental fee (either hourly or daily) for use of the space. Additional veterinary assistance will be needed to staff the unit. Depending on the level of service desired, the City and County will need to agree on how best to staff that additional assistance and how costs will be shared. There should be no increased costs for the County and City to keep the total veterinary services currently provided and the County would benefit

from rental fees paid by the City. Should additional hours be added, based on the County veterinarian salary range and benefits alone, each additional day per week added to the total days currently provided by the City and County would cost about \$40,000 year. This does not include the cost of any needed veterinary tech hours nor other expenses such as supplies, insurance and utilities. A significant portion of the cost could be recovered by adoption fees.

### Summary of Options

Table 20 below provides a summary of the options described above. It shows net new costs ranging from \$50,000 to \$200,000. Costs for each option are comprehensive. For example, the \$160,000 cost shown for Option B includes both the cost of a new director and consolidating field services; it is not necessary to add in the cost of Option A.

Table 20. Summary of Service Sharing Options

	Estimated Annual New Costs (Net)	Main Advantages	Main Challenges	Method
<b>Option A: Share a Director</b>	\$50,000	<ul style="list-style-type: none"> <li>• Timely given vacancies</li> <li>• Leadership likely will result in better overall performance and service</li> <li>• Natural leader for further consolidation efforts</li> <li>• Relatively simple implementation</li> </ul>	<ul style="list-style-type: none"> <li>• Managing two different organizations with different work rules</li> <li>• Bringing policies and procedures into alignment</li> <li>• Determining which agency will contract and which agency will supervise</li> </ul>	Contract
<b>Option B: Share a Director and Consolidate Field Services</b>	\$160,000	<ul style="list-style-type: none"> <li>• The advantages noted above but slightly more complex implementation</li> <li>• More efficient dispatch of animal control officers</li> <li>• Improved customer service</li> <li>• No change in employer for employees</li> </ul>	<ul style="list-style-type: none"> <li>• The challenges noted above</li> <li>• Reconciling differences in density and area between County and City</li> <li>• Reconciling policy differences</li> <li>• Working out any labor issues caused by employees being supervised by an employee of another agency</li> </ul>	Contract

	Estimated Annual New Costs (Net)	Main Advantages	Main Challenges	Method
<b>Option C: Same as Option B Plus Consolidating Licensing and Administrative Services</b>	\$160,000 to \$230,000	<ul style="list-style-type: none"> <li>• The advantages noted above but more complex implementation</li> <li>• Potential increase in licensing revenue</li> <li>• "One stop shop" for adoptions</li> <li>• Opportunity for better public information and outreach</li> <li>• May be able to reduce administrative staff through attrition due to administrative efficiencies</li> </ul>	<ul style="list-style-type: none"> <li>• The challenges noted above</li> <li>• More complex implementation with more functions consolidating</li> <li>• Reconciling administrative procedures</li> </ul>	Contract
<b>Option D: Full Consolidation</b>	\$124,000	<ul style="list-style-type: none"> <li>• The advantages noted above but significantly more complex implementation</li> <li>• Stronger, more efficient operations</li> <li>• Significantly better customer service</li> </ul>	<ul style="list-style-type: none"> <li>• The challenges noted above</li> <li>• Requires political will and release of control</li> <li>• Always some unanticipated roadblocks</li> </ul>	Recommend JPA although contract is also possible
<b>Additional Veterinary Hours</b>	Depends on hours added	<ul style="list-style-type: none"> <li>• Better utilization of surgery unit</li> <li>• More neutered cats and dogs</li> <li>• Able to release adopted pets from shelter sooner</li> </ul>	<ul style="list-style-type: none"> <li>• Some additional costs, but a portion are likely to be recovered through adoption fees</li> </ul>	Contract

Management Partners’ analysis indicates the greatest benefits for the lowest costs would be derived by full consolidation of animal services functions by Salinas and Monterey County. However, this could be accomplished incrementally, beginning with implementing a shared animal services director (Option A) through a contractual agreement between the two agencies, then expanding the agreement over time to implement Options B and C in succession, finishing with shelter operations. This would ultimately result in a functional consolidation of animal services for both agencies, as a precursor to establishing a new animal services entity under a new governance structure such as a JPA.

An incremental, functional collaboration under the leadership of a shared animal services director would allow existing employees to remain with their current agency while a new organizational culture is created by working together as functions are merged and reorganized. Staffing could be adjusted and reassigned as needed through attrition.

Taking an incremental approach also would provide time to develop new policies, procedures, operating practices and customer service expectations that could form the foundation for a new animal services entity in the future. Finally, by leveraging their respective resources, both agencies would be able to begin reaping benefits in improved customer service, efficiency and effectiveness in the near term.

Once the services are functionally consolidated, the City and County can evaluate whether to retain the contractual agreement or establish a new animal services entity under a shared governance structure such as a joint powers authority (Option D).

**Recommendation 28. Implement an incremental, functional consolidation of animal services, beginning with a shared animal services director.**

By collaborating, and leveraging their respective resources, Monterey County and Salinas will be able to improve customer service, efficiency and effectiveness for their communities as well as enhance the potential for further regionalization of animal services as other cities look for opportunities to reduce costs through greater economies of scale.

## Recommendations from Steering Committee

Management Partners presented a draft report to the administrators of the County and City on December 17, 2015. In addition to the County Health Department Director and the City of Salinas' City Manager, City and County staff members were present to discuss the report and its options.

The consensus reached by the group was to move forward with Option C as a pilot project. Option C includes sharing an animal services administrator and consolidating field services, administrative support and licensing functions. A working group was formed to decide some of the operational details necessary to move forward, such as which agency should employ the administrator.

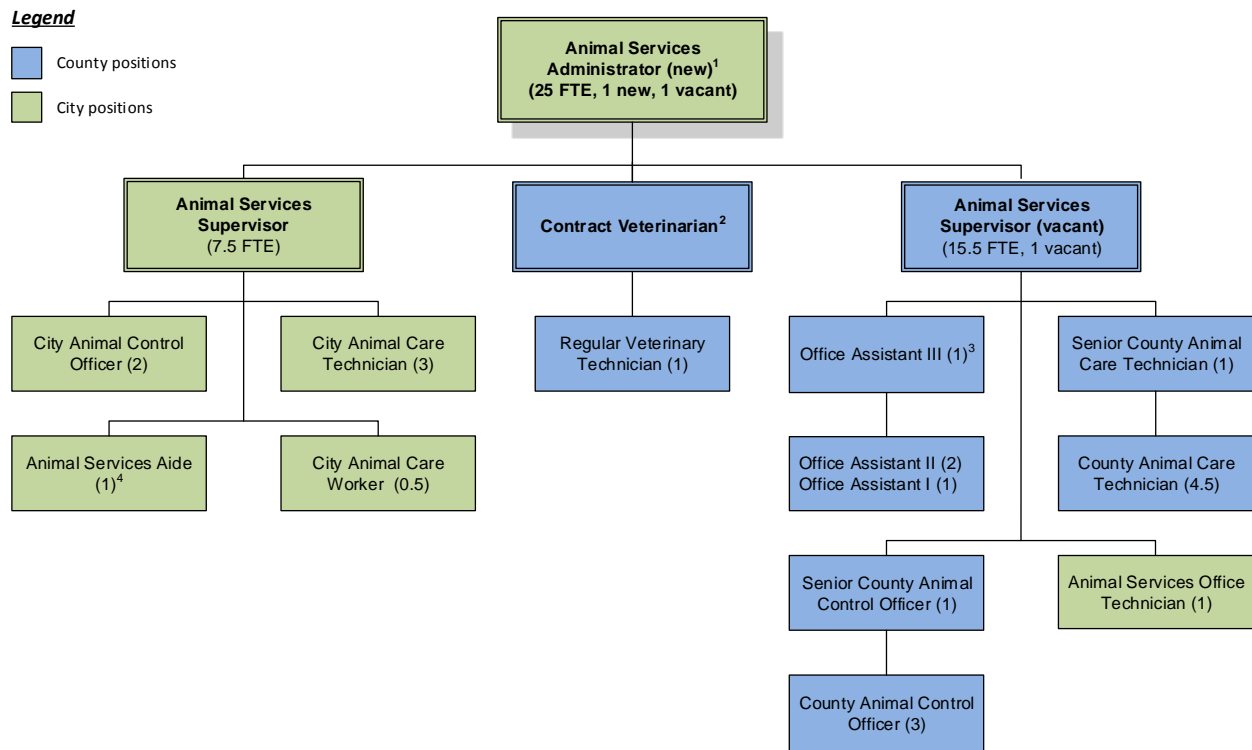
Subsequent to the decision to implement Option C, the working group determined that a phased approach would work best and that Phase 1 should include the following shared operations:

- Hire a shared administrator to lead both the County and City animal services;
- Share veterinary services, particularly for spaying and neutering;
- Share cooler, collection and cremation services; and
- Share administrative services, including shared animal licensing services to be provided under contract with Chameleon Beach.

Assuming Phase 1 is successful, Phase 2 would involve consolidating field services.

Figures 9 and 10 show the proposed organization charts for Phases 1 and 2 respectively, and which organizations are proposed to be the employer of record.

Figure 9. Proposed Organization Chart for Phase 1



<sup>1</sup>The Animal Services Administrator position is jointly funded by the City of Salinas and the County of Monterey (Note: the City and County each have a vacant position that could be used for funding this position).

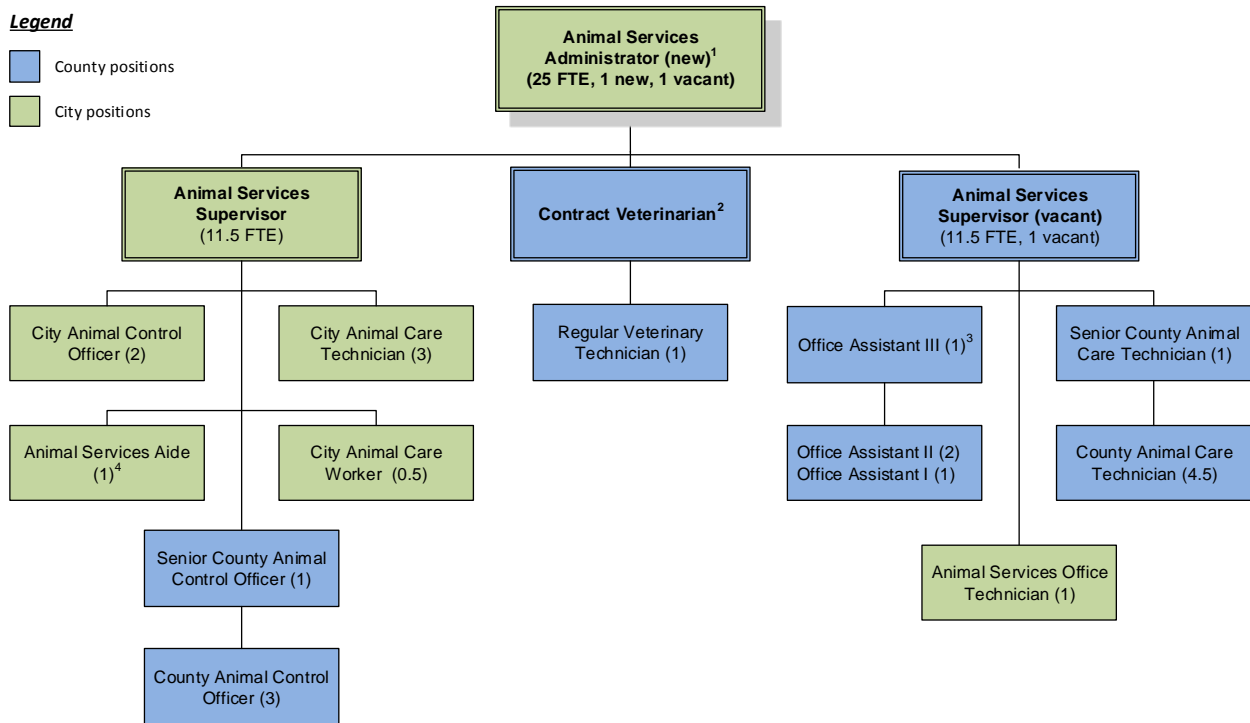
<sup>2</sup>The City of Salinas and the County of Monterey each currently use contractors for veterinarian services.

<sup>3</sup>The Office Assistant III manages the joint Chameleon contract and is the lead licensing position.

<sup>4</sup>There are two part-time (0.5) Animal Services Aides reporting to the Animal Services Supervisor.



Figure 10. *Proposed Organization Chart for Phase 2*



<sup>1</sup>The new Animal Services Administrator position is jointly funded by the City of Salinas and the County of Monterey (Note: the City and County each have a vacant position that could be used for funding this position).

<sup>2</sup>The City of Salinas and the County of Monterey each currently use contractors for veterinarian services.

<sup>3</sup>The Office Assistant III manages the joint Chameleon contract and is the lead licensing position.

<sup>4</sup>There are two part-time (0.5) Animal Services Aides reporting to the Animal Services Supervisor.

### ***New Animal Services Administrator Position***

One new position, an animal services administrator, is envisioned during Phase 1. The new position will be hired by the City of Salinas at a salary range of \$7,955 to \$10,154. With estimated benefits at 49% of salary, the cost of the new position (at mid-range) is estimated to be \$162,000, or a cost to each agency of approximately \$81,000, assuming the position cost is shared equally.

The City of Salinas currently has a vacant animal services manager position at a total cost of \$149,347. This position will no longer be needed under Option C, making the \$149,347 available to help fund the proposed new animal services administrator position.

At the time of our analysis, the County had two vacant positions: a full-time animal services supervisor position and an animal services operations manager position that was being filled on a part-time, interim

basis. However, since the initial report was finished, the County has eliminated funding for the animal services supervisor position due to budget constraints. However, this position is important to ensure adequate oversight for County shelter services and field operations. As previously mentioned, sharing the administrator position essentially means each agency has the position only 50% of the time. As described previously in this report, this is likely to be an insufficient level of oversight for either operation.

Instead of eliminating funding for the full-time animal services supervisor, the County should consider eliminating funding for the (temporary) operations manager position. This would generate net savings of \$13,875 to offset another portion of the cost for the new administrator.

## ***Veterinary Services***

Both the County and City currently contract for veterinary services with different veterinarians. There is an opportunity to improve efficiency and customer service by sharing on-site veterinary services and veterinary costs associated with spay/neuter services.

Salinas spent \$79,869 for veterinary services in FY 2014-15. Of this amount, approximately \$8,860 was for a veterinarian to conduct rounds at a cost of \$50 per hour for an average of 3.4 hours per week. An additional \$56,570 was spent on spay/neuter services provided by outside veterinary clinics because the veterinarian making the rounds is unable to perform these services. A total of 809 animals were spayed or neutered at five different clinics during this timeframe. (Note: the City spays and neuters feral cats in addition to adoptable dogs and cats.)

The County has a veterinarian at the shelter one day (eight hours) per week at an annual cost of approximately \$25,260. The hourly rate for the veterinarian is \$60.95 (including FICA and Medicare), which is higher than the rate the City pays for its veterinarian. While on site the County veterinarian spays and neuters animals as needed. However, the limited number of veterinary hours can create a lag time of several days before an animal can be adopted, depending on the timing of the pending adoption.

Combining on-site veterinary services by adding one or more days to the County's veterinarian contract should have several benefits. First, the animals will be spayed or neutered on a more timely basis than is currently possible, making County adoptions quicker for individuals

waiting to adopt their pets. Although the value of improved customer service cannot be quantified in dollars, it is certainly a benefit.

Second, having one veterinarian for both operations is likely to be more economical. The County's operating room is currently underutilized because it is operational only 40% of the time. Based on data provided for the months of July to September 2015, the County is spaying or neutering an average of only five animals per week, at an approximate cost of \$430 per animal, including the cost for staff, supplies and overhead. (The per animal cost also takes into account applicable adoption fee revenue.) In contrast, the City is spaying or neutering an average of 16 animals per week using outside clinics for a cost of only \$70 per animal. However, this does not include costs associated with staff time required to transport the animals to the clinics, all of which are farther away than the County shelter across the street.

One strategy for reducing the County's spay/neuter cost per animal is to perform more of them per week, assuming there is adequate veterinary capacity to do so. For example, if the County were to spay and neuter the City's animals, the number of animals per week would increase to 21 and the average cost per animal would decrease to \$104. However, the current difference in the City's spay/neuter costs compared with the County's presents a challenge because there is no incentive for Salinas to change its approach to procuring spay/neuter services unless the County is able to offer a competitive price.

The County could improve the utilization of its operating room and generate revenues to offset a portion of the costs for increased veterinarian hours by charging the City the same spay/neuter price per animal it currently pays to outside vendors. Spaying and neutering the animals at the County facility across the street would also be more convenient for the City, since the travel time and distance would be significantly less than it is currently.

Further analysis is needed to determine how many additional hours would be required for a shared veterinarian to meet the combined needs of both agencies. However, we calculated a rough cost estimate, assuming the veterinarian's hours were increased from 8 to 20 hours per week (i.e., from one day to two and a half days), to conduct rounds at both shelters and perform spays and neuters for both agencies. This would increase the County's annual veterinarian cost to approximately \$63,400 per year (an increase of \$38,140).

Although the specific financial arrangements would need to be negotiated between the two agencies, the County could charge the City what the City is currently paying (\$70 per spay/neuter) and based on the current volume, fully recover the additional cost for veterinarian time. (Note: Increasing the number of spays/neuters performed at the County shelter would increase the cost of medical supplies and potentially require additional veterinary technician support; however, these financial impacts cannot be quantified at this time.)

The County could expect to receive about \$56,570 annually from the City for this \$70 charge. This would save the City approximately \$8,860 per year in contract veterinary services for shelter rounds, since these would be performed by the County veterinarian.

Again, this is only a rudimentary cost estimate. But it illustrates the potential for improved efficiency and reduced costs to both agency by sharing veterinarian services.

There may also be opportunities for the County to increase revenue by leasing the operating room space for a day or two to outside veterinarians. (We have not factored in any additional revenue, as the capacity to do so would need to be carefully evaluated.)

Finally, emergency veterinary services were provided to the Salinas at off-site locations at a total cost of approximately \$14,437. The County's annual costs for emergency veterinary services are somewhat higher than the City's. They were budgeted at \$240,000 in FY 2014-15 and expenditures have totaled \$112,919 thus far in FY 2015-16. It is anticipated these emergency services will continue to be needed by each agency, and consequently, there is no change in costs if veterinary services are shared.

### ***Shared Administrative Services***

An opportunity exists to share administrative functions, particularly related to pet licensing. Doing so would improve customer service and potentially generate additional licensing revenues for the County.

The County and City both currently use Chameleon animal case management and animal licensing software. The City contracts with Chameleon to provide animal licensing services while the County is issuing dog licenses using County staff.

The City of Salinas began contracting with Chameleon Beach to provide licensing services in FY 2012-13. At that time, the City paid a one-time fee

of \$10,000 to have Chameleon set up online licensing, scan rabies certificates, mail license renewals and process all of the City’s licensing mail. The City pays an annual fee of \$3,420 to maintain the system. Chameleon Beach subtracts its fees for processing each license and rabies certificate and then remits a check to the City each month for the remainder of the revenue.

As Table 21 shows, the impact was a 25.7% increase in licensing revenues from FY 2012-13 to FY 2013-14, and another 5.9% increase from the following fiscal year. The cumulative effect over two years is an increase of almost one-third. The transition to Chameleon Beach also reduced the workload on the City’s administrative staff, and improved customer service by allowing residents to renew licenses online.

Table 21. City of Salinas Licensing Revenues for FY 2012-13 through FY 2014-15

Year	Licensing Revenues	Percentage Increase
FY 2012-13	\$83,211	
FY 2013-14	\$104,663	25.5%
FY 2014-15	\$110,876	5.9%
Difference Between FY 2012-13 and FY 2014-15	\$27,665	33.2%

Based on these data, Table 22 shows the potential increased revenue if the County’s experience is similar to that experienced by the City of Salinas. It shows that County licensing revenues could increase by as much as \$48,000. These additional revenues could be used to further offset the County’s cost of the shared administrator position.

Table 22. Potential Increased Revenue for County Licensing

Year	Actual Number of Licenses Issued	Actual Licensing Revenue	Estimated Increase in Revenue at 20%	Estimated Increase in Revenue at 25%
FY 2014-15	6,843	\$176,828	\$35,357	\$44,207
FY 2015-16 (projected)	6,186	\$192,000	\$38,400	\$48,000

Once the City and County are both using the same animal licensing protocols, it is possible for them to be consolidated into one system. There will be upfront costs to convert the two databases so the administrative services can be combined. There also will be a cost to the County to have Chameleon provide the same licensing services currently being provided to the City. However, once this is completed, there should be staffing efficiencies from both agencies utilizing one system. Chameleon Software Products has provided preliminary quotes for these costs amounting to \$9,100 in annual costs, \$15,000 in one time set up costs and \$4,500 in on-site training. These figures exclude costs currently paid by the City and County.

### ***Share Cooler, Collection and Cremation Services***

Both the County and the City contract with Koefran for dead animal collection and cremation services. The City also contracts with Koefran for cooler maintenance; the County maintains its own. It is likely there would be some savings if the cooler used by the City could be eliminated and a single contract with Koefran was negotiated.

A preliminary response from Koefran estimates \$4,800 in savings to the City if it is able to use the County's cooler since doing so will eliminate a pick-up location and eliminate the need for maintenance. However, there will be additional costs to the City for transporting animals to the County cooler. It also may not be possible to implement this change in Phase I until the current County contract with Koefran expires. Still, it remains a possible source of future cost savings.

### ***Advantages of Implementing Option C***

Over the past several years both animal services operations have suffered from budget constraints. Some vacancies have not been filled and in some cases, both the City and County have cut positions. As a result, neither animal services operation is fully staffed, nor has excess capacity. In fact, our review of both operations indicated a need to increase staffing in order to provide minimum, sustainable services consistent with industry standards. By initiating service sharing, some economies of scale can be realized, and existing staff resources can be leveraged to provide better customer service. In addition, by contracting with Chameleon Beach to take over licensing, there should be additional capacity for County staff to do other administrative tasks that have been neglected, as well as improve customer service.

Having two shelter operations is confusing to many of the City’s and County’s residents. Although the two facilities are in walking distance of each other, often, a person goes to one shelter only to be told they are in the wrong place. By sharing services, the customer will be better served. There can be one central phone number for all City and County residents and one primary location for all. Although field services will not be shared until Phase 2, both the City and County field services operations are understaffed to the point that proactive enforcement and revenue generating activities such as canvassing are not feasible. Having a shared phone number will enhance customer service and aid dispatch for both organizations.

A summary of estimated costs and savings is shown in Table 23. While these are only estimates, the table does show Option C has potential for some cost savings along with considerable service improvements.

*Table 23. Summary of Annual Costs, Cost Avoidance, and Revenues*

Services	Estimated Additional Cost	Estimated Cost Savings	Estimated New Revenues	Total Savings (Costs)
Shared Animal Services Administrator <sup>1</sup>	\$162,000	\$163,222	-	\$1,222
Shared Administration/Licensing - ongoing	\$9,100	-	\$48,000	\$38,900
Startup Costs	\$15,000	-	-	\$(15,000)
On-site Training and Software Support - one time	\$4,500	-	-	\$(4,500)
Shared Koefran Services	-	\$4,800	-	\$4,800
Shared Veterinary Services <sup>2</sup>	\$38,140	\$8,860	\$56,570	\$27,290
<b>Total<sup>3</sup></b>	<b>\$228,740</b>	<b>\$176,882</b>	<b>\$104,570</b>	<b>\$52,712</b>

<sup>1</sup> Cost savings result from eliminating vacant positions as described in the report narrative

<sup>2</sup> Assumes County charges \$70 per neuter/spay. Actual charge may be negotiated.

<sup>3</sup> Estimated recurring savings in future years, when start-up costs are no longer needed, is \$72,212.

However, these estimates assume the availability of funding from County positions that either have been recently eliminated or are proposed for elimination in FY 2016-17. As a result, Option C is simply unable to generate sufficient economies of scale to make the costs of implementation worthwhile.

The only alternative with the potential to generate sufficient economies of scale is Option D, the full consolidation of City and County animal services under a new, joint powers entity. The economies derive from having one operation under single leadership with the ability to leverage

staff and other resources in ways that are not possible for the City and County to achieve independently. Additional economies of scale are possible if additional municipalities are invited to participate.

**Recommendation 29. Create an animal services joint powers authority (JPA) to facilitate the full consolidation of City and County operations.**

### ***Next Steps***

If the governing bodies of the County and City approve the concept of service sharing through the establishment of a joint powers authority (JPA), there will be much work to achieve implementation. It also will require strong leadership, careful collaboration and open communication about many decisions.

The California Joint Exercise of Powers Act (Government Code Section 6500 et seq.) authorizes public agencies to create new legal entities to jointly implement programs, build facilities or deliver services and establishes the procedures for doing so. Although a JPA is a new, separate government organization created by the member agencies, it is legally independent from them.

To establish the new entity, officials from the participating public agencies must formally approve a cooperative arrangement in the form of a joint powers agreement (also commonly referred to as a JPA). The agreement sets forth the terms and conditions for the JPA, including the following provisions.

- Purpose of the JPA, i.e., the provision of animal services.
- Agency name.
- Powers.
- Governance of the JPA, such as by a board of directors comprised of representatives from each participating agency, led by specified officers. Agreements also typically contain provisions for Board operational procedures, such as meetings, legal notification, quorums, and voting protocols.
- Powers of the board, including the authority to hire personnel and enter into agreements on behalf of the JPA.
- Budget and cost-sharing arrangements.
- Provisions for terminating the agreement, adding new member agencies and withdrawal of member agencies



These and other JPA terms and conditions will need to be negotiated between the participating agencies. To further maximize economies of scale, it would be advantageous to contact other cities in Monterey County to determine potential interest in participation, assuming there is adequate shelter capacity to do so.

In the meantime, elements of Option C could be implemented by the City and County to lay the groundwork for full consolidation. These include aligning fees and animal services codes and regulations, sharing veterinary services, and integrating animal management databases. Some of the next steps for these activities, based on the most favorable terms for both the City and County, include

- Formalizing an agreement about veterinary services.
- Renegotiating an agreement with Koefran.
- Formalizing an agreement with Chameleon Beach based on the services to be provided.
- Analyzing variations in fees for service and existing codes and developing recommendations for alignment.

## Conclusion

Based on an analysis of Monterey County and the City of Salinas' current animal services operations, Management Partners recommends taking steps to share some of services described in Option C, while commencing discussions to create a new JPA to fully consolidate animal services. Sharing services will yield significantly improved customer service and convenience and greater efficiencies. It also positions Monterey County and Salinas to become the leaders in regionalized animal care services for the County as a whole.