

Memorandum of Understanding
On Provision of Animal Care Services

1/25/06

This Memorandum of Understanding (“MOU”) is entered into as of March 1, 2006 by and among Solano County, a political subdivision of the State of California (“County”), and the cities of Benicia, Dixon, Fairfield, Rio Vista, Suisun City, Vacaville, and Vallejo all municipal corporations (“Cities” or individually “City”), sometimes individually referred to as “Party” and collectively referred to as “Parties,” with reference to the following:

RECITALS

WHEREAS, the County and the Cities are desirous of working together for the performance of animal shelter services within the County, and the County is able to provide and has historically provided those services; and

WHEREAS, agreements between a county and the cities within that county for the performance of municipal services are authorized by California Government Code § 54980, et seq.; and

WHEREAS, each of the Parties possesses the power to shelter animals within its jurisdiction; and

WHEREAS, the Parties wish to obtain certain animal shelter services in the interests of public safety for all County and City residents and the humane treatment of the animals kept within those stated jurisdictions; and

WHEREAS, the County currently operates an animal shelter facility, located at 2510 Claybank Road, Fairfield, California (“Claybank Facility”); and

WHEREAS, the Cities desire to have the County provide animal shelter services for them and are willing to contribute their proportional shares of the cost of maintaining and operating the County's animal shelter facility and caring for the animals; and

WHEREAS, the County is willing to contract with the Cities to provide certain animal shelter services; and

WHEREAS, the Parties understand and acknowledge that the Claybank Facility will likely need to be replaced, substantially refurbished, or supplemented by an additional facility during the term of this MOU; and

WHEREAS, each of the Parties understands and acknowledges that the cost of a new or refurbished animal shelter must be borne by all of the Parties that will utilize the new shelter.

NOW, THEREFORE, the Parties agree as follows:

1. Term.

A. Initial Term. The initial term ("Initial Term") of this MOU shall commence on March 1, 2006 ("Effective Date") and shall expire on June 30, 2013, unless sooner terminated by the unanimous consent of the Parties.

B. Additional Terms. Upon conclusion of the Initial Term, this MOU shall automatically renew for an additional five (5) year term; provided, however, that any Party to this MOU may withdraw at the end of the Initial Term if it provides written notice to all other Parties no later than two (2) years prior to the expiration of the Initial Term and has satisfied its fiscal obligations under this MOU through June 30, 2013. Upon conclusion of each additional term, if any, this MOU shall automatically renew in the same manner as described above and shall continue to do so at the end of each such additional term; provided, however, that any Party to this MOU may withdraw at the end

of any additional term if it provides written notice to all other Parties no later than two (2) years prior to the expiration of such additional term and has satisfied its fiscal obligations under this MOU through June 30th of the fifth year of such additional term.

2. Facility. The County shall furnish animal shelter services at the Claybank Facility. During the 2006-2007 fiscal year, the Parties shall meet to discuss replacing the Claybank Facility, substantially refurbishing the Claybank Facility, or supplementing the Claybank Facility through construction of an additional animal shelter facility.

3. Care of Shelter and Animals. The County shall maintain the Claybank Facility in a humane manner and provide the animals with necessary and prompt veterinary care, nutrition, and shelter in accordance with the laws of the State of California throughout the term of this MOU. The County shall give the prescribed notices and use humane methods of care and euthanasia for any animal at the Claybank Facility.

The animal care costs to be borne by all Parties pursuant to this MOU may include expanded veterinarian and other services for a microchipping program, a spaying/neutering clinic, or other purposes ("New Animal Care Programs"). New Animal Care Programs that are expected to exceed five (5) percent of the Net Cost (as defined in Section 4, below) of providing animal care services will be presented to the City/County Manager's Group in the first quarter of each calendar year for review and discussion and shall be subject to approval by the County Administrator and a majority of the City Managers representing a majority of the animals received by the Shelter at the time of such approval in order for the charges to be passed through to the Parties. New Animal Care Programs that are mandated by the state or federal government, however, are not subject to this requirement.

4. Payment.

A. Proportional Shares. Each Party shall pay its proportional share of the net cost of maintaining and operating the Claybank Facility and caring for the animals ("Net

Cost"). The Net Cost shall be determined by subtracting the amount of all non-license revenue received by the County's Animal Care Division and the cost of animal patrol services for the unincorporated area of the County from the total cost of maintaining and operating the Claybank Facility and caring for the animals. The Parties acknowledge that the costs of maintaining and operating the Claybank Facility include, among other costs, the cost of one full-time equivalent animal control officer.

Each Party's proportional share shall be determined by dividing the total number of animals received by the County at the Claybank Facility from all Parties for a specific fiscal year by the total number of animals received by the County at the Claybank Facility from that Party for the same fiscal year ("Baseline Percentage").

For purposes of this MOU, the total number of animals received from the City of Fairfield shall include those animals received from Travis Air Force Base. The County shall use its best efforts to work with the City of Fairfield and Travis Air Force Base to facilitate an agreement between Travis Air Force Base and the City of Fairfield to cover Travis Air Force Base's proportionate share of the City of Fairfield's proportional share of the Net Cost.

B. Payment for March 1, 2006 through June 30, 2006. The County shall determine each Party's proportional share of the Net Cost for the 2005/2006 Fiscal Year by: (i) multiplying the Net Cost for the 2004/2005 Fiscal Year by that Party's Baseline Percentage for the 2004/2005 Fiscal Year, and (ii) multiplying the product thereof by one-third to account for the fact that this MOU is effective for only four (4) months of the 2005/2006 Fiscal Year. The actual amounts owed by each Party for the March 1, 2006 through June 30, 2006 period are set forth in Exhibit 1, which is attached hereto and incorporated herein by reference. For this period, the County shall invoice each of the Cities within sixty (60) days of the Effective Date of this MOU, and payment shall be due within thirty (30) days of receipt of the invoice.

C. Payments for Subsequent Fiscal Years. Beginning July 1, 2006, each Party's proportional share for each subsequent fiscal year shall be determined by multiplying the Net Cost for the prior fiscal year by the Baseline Percentage for that same prior fiscal year. The County shall invoice each of the Cities during the month of October for the fiscal year, and payment shall be due within thirty (30) days of receipt of the invoice.

5. Subsidy. During the four months of the 2005/2006 Fiscal Year covered by this MOU and the 2006/2007 and 2007/2008 Fiscal Years, the County shall contribute, in addition to its own proportional share of the Net Cost of maintaining and operating the Claybank Facility and caring for the animals, a percentage of the Cities' proportional shares of the Net Cost, as set forth below. In addition to its own proportional share, during the four (4) months of the 2005/2006 Fiscal Year covered by this MOU, the County shall contribute thirty percent (30%) of the proportional shares to be paid by the Cities; during the 2006/2007 Fiscal Year, the County shall contribute twenty percent (20%) of the proportional shares to be paid by the Cities; and during the 2007/2008 Fiscal Year, the County shall contribute ten percent (10%) of the proportional shares to be paid by the Cities. These additional contributions by the County shall be applied to the costs owed by each City on a proportional basis based on its Baseline Percentage of animals actually received at the Claybank Facility during the prior fiscal year.

6. Countywide Cost Allocation Plan Costs. The budget for the County Animal Care Division includes costs allocated to the County Animal Care Division under the Countywide Cost Allocation Plan to cover central administrative and overhead expenditures ("A87 Costs"). The Parties understand and acknowledge that A87 Costs fluctuate from year to year, and the Parties agree that the Cities' obligation to pay A87 Cost increases shall be limited in the manner set forward herein. The County Animal Care Division's A87 Costs for the Base Year were \$414,058. The Parties agree that, if the increase in the County Animal Care Division's A87 Costs for any one fiscal year over the previous fiscal year exceeds ten percent (10%) of the prior year's A87 Costs, the County shall present the figure to the City/County Manager's Group in the first quarter of

each calendar year for review and discussion; provided, however, that the County is not required to present an increase in the A87 Costs to the City/County Manager's Group if the total A87 Costs for that year, including the increase, do not exceed the A87 Costs for the Base Year. If not approved by the County Administrator and a majority of the City Managers representing a majority of the animals received by the Shelter at the time of such disapproval, the charges shall be absorbed by the County.

7. Audit. Each Party shall have the right to conduct an annual audit of the County's records with respect to the number of animals the County has received from each Party.

8. License Fee Revenue.

- A. Each Party shall receive one hundred percent (100%) of the licensing revenue attributable to animals within its jurisdiction. All Parties agree to work together on programs that will increase the license fee revenues for each Party.
- B. Pursuant to Government Code Section 50022.9, each city shall enact an animal license fee ordinance which incorporates by reference the County Animal License Fee Ordinance, and any amendments to it.
- C. The Cities may either individually impose a separate license fee or mutually adopt a standardized license fee which may be revised annually by unanimous consent. The County shall collect the city license fee and shall remit the fee to the appropriate city.
- D. Nothing in this agreement shall affect the ability of the cities to impose their own license fees. Where cities have duly adopted a separate city license fee, COUNTY agrees to accept payment for such city license fee and pass through the revenue to the city.
- E. The County may recover the cost of administering the fee collection from all parties.

9. Indemnification. All of the Parties to this MOU agree to indemnify and hold harmless the other Parties from and against any and all actual or alleged claims, demands,

U.S. Mail first class postage prepaid, as of seventy-two (72) hours after deposit in the U.S. Mail.

16. Jurisdiction and Venue. This MOU shall be construed in accordance with and governed by the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this MOU, or which in any way arises out of the Parties' activities undertaken pursuant to this MOU, shall be filed and prosecuted in the appropriate California state court in Solano County, California. Each Party waives the benefit of any provision of state or federal law providing for a change of venue to any other court or jurisdiction including, without limitation, a change of venue because governmental entities are parties to the action or proceeding, or that a federal right or question is involved or alleged to be involved in the action or proceeding.

17. Attorneys' Fees and Costs. If any arbitration, lawsuit, or other legal action or proceeding is brought by one Party against the other Party in connection with this MOU, the prevailing party, whether by final judgment or arbitration award, shall be entitled to and shall recover from the other party all costs and expenses reasonably incurred by the prevailing party, including actual attorneys' and experts' fees. This Section 17 shall survive the termination or expiration of this MOU.

[SIGNATURES ON FOLLOWING PAGES]

SIGNATURE PAGE TO
MEMORANDUM OF UNDERSTANDING
ON PROVISION OF ANIMAL CARE SERVICES

Date

County of Solano
Name: _____

Date

City of Benicia
Name: _____

Date

City of Dixon
Name: _____

Date

City of Fairfield
Name: _____

Date

City of Rio Vista
Name: _____

Date

City of Suisun City
Name: _____

Date

City of Vacaville
Name: _____

Date

City of Vallejo
Name: _____