



**CITY OF LAGUNA HILLS
CITY COUNCIL/PLANNING AGENCY
REGULAR MEETING AGENDA
OCTOBER 27, 2015
Closed Session at 6:00 PM (*when scheduled*)
General Business Session at 7:00 PM**

Dore J. Gilbert, M.D., Mayor

**Barbara Kogerman, Mayor Pro Tempore
Andrew Blount, Council Member**

**Melody Carruth, Council Member
Don Sedgwick, Council Member**

Location: City Council Chamber, 24035 El Toro Road, Laguna Hills, California 92653

Any person wishing to address the City Council/Planning Agency on any matter, whether or not it appears on this Agenda, is asked to complete a pink "Request to Speak" form available on the table at the back of the Chamber. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council/Planning Agency. Completion of the form is voluntary. All persons may attend the meeting regardless of whether this form is completed.

Members of the public wishing to address the City Council can do so during the Public Comments portion of the Agenda with a time limitation of three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes for Public Comments. If you are commenting on an Agenda item, your comments will be heard at the time that item is scheduled on the Agenda. If you are addressing the City Council on an item not listed on the Agenda, the City Council is prohibited by law from discussing or taking any action on that item.

CLOSED SESSION - CONVENING AT 6:00 PM

CALL TO ORDER

Resolution No. 96-04-09-1 established rules of decorum for public meetings held by the City of Laguna Hills. Resolution No. 96-04-09-1 is available on the table at the back of the City Council Chamber.

ROLL CALL

ANNOUNCEMENT OF CLOSED SESSION ITEMS

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: 24031 El Toro Road, Suite 160, Laguna Hills, California

Agency Negotiator: Bruce Channing, City Manager, and Don White, Assistant
City Manager

Negotiating Parties: City of Laguna Hills and Braille Institute of America, Inc.

Under Negotiation: Price and Terms of Lease Payment

PUBLIC COMMENT ON CLOSED SESSION ITEMS

ADJOURN TO CITY COUNCIL CONFERENCE ROOM

CONVENE INTO CLOSED SESSION

RECONVENE TO CITY COUNCIL CHAMBER

RECESS

GENERAL BUSINESS - RECONVENING AT 7:00 PM

CALL TO ORDER

Resolution No. 96-04-09-1 established rules of decorum for public meetings held by the City of Laguna Hills. Resolution No. 96-04-09-1 is available on the table at the back of the City Council Chamber.

PLEDGE OF ALLEGIANCE: COUNCIL MEMBER BLOUNT

ROLL CALL OF CITY COUNCIL MEMBERS

CLOSED SESSION REPORT

1. PRESENTATIONS AND PROCLAMATIONS

1.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AN ORAL REPORT FROM LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON TESSIE MIRAKI.

2. PUBLIC COMMENTS

This is the time to address the City Council on any matter not listed on this Agenda that is within the subject matter jurisdiction of the City Council. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

3. CONSENT CALENDAR

All matters listed under "CONSENT CALENDAR" are considered to be routine and will be enacted by one motion approving the recommendation listed on the Agenda. There will be no separate discussion unless Members of the City Council or Staff request specific items be removed from the Consent Calendar.

3.1 WAIVE READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA

RECOMMENDATION: THAT THE CITY COUNCIL WAIVE READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA AND DECLARE THAT SAID TITLES WHICH APPEAR ON THE PUBLIC AGENDA SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED.

3.2 APPROVAL OF MINUTES FOR OCTOBER 13, 2015, REGULAR MEETING

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE MINUTES OF THE OCTOBER 13, 2015, REGULAR MEETING.

3.3 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED OCTOBER 27, 2015

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF \$765,955.45.

3.4 AUTHORIZATION TO PURCHASE AND INSTALL "HOT RED" RADIOS AS PART OF THE ORANGE COUNTY 800 MEGAHERTZ COUNTYWIDE COORDINATED COMMUNICATIONS SYSTEM

RECOMMENDATION: THAT THE CITY COUNCIL: (1) WAIVE COMPETITIVE FORMAL BIDDING REQUIREMENTS AND PROCEDURES SET FORTH IN THE LAGUNA HILLS MUNICIPAL CODE (LHMC) SECTION 3-08.080 AND AUTHORIZE THE SOLE SOURCE PROCUREMENT WITH REGARD TO APPROVAL OF A PURCHASE WITH MOTOROLA SOLUTIONS, AS IT IS HEREBY FOUND AND DETERMINED, PURSUANT TO LHMC SECTION 3-08.110, THAT THERE IS ONLY ONE VENDOR THAT CAN PROVIDE THE NECESSARY EQUIPMENT FOR USE IN THE COUNTYWIDE 800 MEGAHERTZ COMMUNICATIONS SYSTEM BASED ON THE INFORMATION PRESENTED HEREIN BY CITY STAFF; AND (2) AUTHORIZE THE PURCHASE AND INSTALLATION OF "HOT RED" RADIOS IN ACCORDANCE WITH THE JOINT AGREEMENT FOR THE OPERATION, MAINTENANCE, AND FINANCIAL MANAGEMENT OF THE ORANGE COUNTY 800 MEGAHERTZ COUNTYWIDE COORDINATED COMMUNICATIONS SYSTEM.

3.5 FIRST QUARTER FINANCIAL AND TREASURER'S REPORT FOR
FISCAL YEAR 2015/2016

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AND FILE THE
REPORT.

3.6 SHENANDOAH DRIVE STREET IMPROVEMENTS

RECOMMENDATION: THAT THE CITY COUNCIL DIRECT STAFF TO
SURVEY THE RESIDENTS OF SHENANDOAH DRIVE AS TO THEIR
INTEREST IN THE CONSTRUCTION OF CONCRETE CURBS AND GUTTERS
AS A PART OF THE FISCAL YEAR 2017-2019 CAPITAL IMPROVEMENT
PROGRAM BUDGET PREPARATION.

3.7 COMPREHENSIVE TRANSPORTATION FUNDING PROGRAM
PROJECT APPLICATION TO THE ORANGE COUNTY
TRANSPORTATION AUTHORITY FOR THE EXTENDED
ENVIRONMENTAL ANALYSIS AND PRELIMINARY ENGINEERING
FOR THE FUTURE PASEO DE VALENCIA WIDENING PROJECT,
CIP NO. 145

RECOMMENDATION: THAT THE CITY COUNCIL: (1) APPROVE THE
SUBMISSION OF THE PROJECT APPLICATION UNDER THE
COMPREHENSIVE TRANSPORTATION FUNDING PROGRAM; AND
(2) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY
COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING THE
SUBMISSION OF THE PASEO DE VALENCIA WIDENING PROJECT TO THE
ORANGE COUNTY TRANSPORTATION AUTHORITY FOR FUNDING UNDER
THE COMPREHENSIVE TRANSPORTATION FUNDING PROGRAM."

ITEMS REMOVED FROM THE CONSENT CALENDAR

4. PLANNING AGENCY

4.1 ROLL CALL OF PLANNING AGENCY MEMBERS

4.2 PUBLIC COMMENTS

This is the time to address the Planning Agency on any matter not listed on this
Agenda that is within the subject matter jurisdiction of the Planning Agency.
Public Comments are limited to three minutes per person, an overall time limit of
ten minutes for any one subject, and a total time limit of thirty minutes.

4.3 APPROVAL OF MINUTES FOR OCTOBER 13, 2015

RECOMMENDATION: THAT THE PLANNING AGENCY APPROVE THE
MINUTES OF THE OCTOBER 13, 2015, REGULAR MEETING.

4.4 ADMINISTRATIVE REPORTS

4.5 PLANNING AGENCY PUBLIC HEARINGS

PLANNING AGENCY ADJOURNMENT

5. CITY COUNCIL PUBLIC HEARINGS

6. ADMINISTRATIVE REPORTS

6.1 City Manager

6.2 Assistant City Manager

6.2.1 OVERVIEW AND UPDATE ON OC ANIMAL CARE
OPERATIONS AND NEW SHELTER UPDATE

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AND FILE THIS
REPORT.

6.3 Public Services Director/City Engineer

6.3.1 BECKENHAM STREET PARKING REGULATION

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION
ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAGUNA HILLS, CALIFORNIA, ESTABLISHING A PREFERENTIAL
RESIDENTIAL PARKING PERMIT AREA FROM 10:00 P.M. TO 6:00 A.M. AND
A NO PARKING ZONE DURING DAYS AND HOURS OF STREET SWEEPING
ON BECKENHAM STREET FOR THE BENEFIT OF THE ADJOINING ACACIA
KNOLLS AND SUNSET PLACE RESIDENTS."

**7. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS
AND MAYOR**

8. CITY COUNCIL MEMBER COMMENTS

9. CLOSED SESSION

ADJOURNMENT

The next Regular Meeting of the City Council will be November 10, 2015, in the City
Council Chamber, located at 24035 El Toro Road, Laguna Hills, California.

CERTIFICATION

I, MELISSA AU-YEUNG, City Clerk of the City of Laguna Hills, do hereby certify that a copy of the foregoing Agenda was posted at Laguna Hills City Hall, Laguna Hills Community Center, and the Courtyard at La Paz Center by October 23, 2015, at 5:00 PM.



MELISSA AU-YEUNG, CITY CLERK

October 23, 2015

DATE

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the office of the City Clerk at (949) 707-2635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 24035 El Toro Road, Laguna Hills, California, during normal business hours.

City Council Members receive no additional compensation or stipend as a result of simultaneously convening meetings of the Laguna Hills Planning Agency.

**CITY OF LAGUNA HILLS, CALIFORNIA
CITY COUNCIL/PLANNING AGENCY
REGULAR MEETING
MINUTES
OCTOBER 13, 2015**

GENERAL BUSINESS - CONVENING AT 7:00 PM

CALL TO ORDER

Mayor Gilbert called the Regular Meeting of the City Council of the City of Laguna Hills, California, to order at 7:02 p.m. in the Laguna Hills City Council Chamber, 24035 El Toro Road, Laguna Hills, California.

PLEDGE OF ALLEGIANCE: LIEUTENANT COLONEL RAWLINGS

ROLL CALL OF CITY COUNCIL MEMBERS

Present: Mayor Gilbert, Mayor Pro Tempore Kogerman, Council Member Blount, Council Member Carruth, Council Member Sedgwick.

CLOSED SESSION REPORT

There was no Closed Session report.

1. PRESENTATIONS AND PROCLAMATIONS

1.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON

THE CITY COUNCIL RECEIVED AN ORAL REPORT FROM LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON TESSIE MIRAKI.

1.2 LAGUNA HILLS 3/5 MARINE SUPPORT COMMITTEE

LIEUTENANT COLONEL RAWLINGS PROVIDED AN UPDATE ON THE STATUS OF THE 3/5 DARK HORSE BATTALION. MAYOR GILBERT INTRODUCED SERGEANT MAJOR RUIZ AND MAYOR PRO TEMPORE KOGERMAN RECOGNIZED THE 3/5 MARINE SUPPORT COMMITTEE IN ATTENDANCE AT THE MEETING.

2. PUBLIC COMMENTS

ANIMAL CARE SERVICES

Dr. James Gardner, City of Lake Forest Council Member, made reference to a document prepared by the County of Orange in August 2015, and opined that the economics of continuing to contract with the County of Orange for animal services does not make financial sense and believes the City of Lake Forest and City of Laguna Hills should work together to build and operate an animal shelter.

SOBER LIVING FACILITIES

Dr. Carl Stilson, a resident of Laguna Hills, addressed the City Council regarding the increase of crime in his neighborhood and his concerns regarding sober living facilities. Mayor Gilbert informed Dr. Stilson of the group homes informational meeting the City held in August and asked Dr. Stilson if he would be interested in being added to the group home informational contact list.

3. CONSENT CALENDAR

**MOTION TO APPROVE THE CONSENT CALENDAR, BY M/COUNCIL MEMBER CARRUTH, S/COUNCIL MEMBER BLOUNT.
APPROVED BY A VOTE OF 5-0.**

**3.1 WAIVE READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS
ON THE AGENDA**

THE CITY COUNCIL WAIVED READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA AND DECLARED THAT SAID TITLES WHICH APPEAR ON THE PUBLIC AGENDA SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED.

**3.2 APPROVAL OF MINUTES FOR SEPTEMBER 22, 2015, REGULAR
MEETING**

THE CITY COUNCIL APPROVED THE MINUTES OF THE SEPTEMBER 22, 2015, REGULAR MEETING.

**3.3 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED OCTOBER
13, 2015**

THE CITY COUNCIL APPROVED THE WARRANT REGISTER IN THE AMOUNT OF \$954,486.16.

**3.4 AWARD OF CONTRACT FOR THE COMMUNITY CENTER AND SPORTS
COMPLEX SITE IMPROVEMENTS, CIP NO. 514**

THE CITY COUNCIL AWARDED THE CONTRACT FOR THE LAGUNA HILLS COMMUNITY CENTER AND SPORTS COMPLEX SITE IMPROVEMENTS, CIP NO. 514, TO HORIZONS CONSTRUCTION COMPANY INTERNATIONAL INC., IN THE LOW BID AMOUNT OF \$313,154.30.

**3.5 THREE-YEAR EVENT MANAGEMENT PROFESSIONAL SERVICES
AGREEMENT WITH RENEGADE RACING FOR THE 2016, 2017, AND
2018 MEMORIAL DAY RACE EVENTS**

THE CITY COUNCIL APPROVED THE EVENT MANAGEMENT PROFESSIONAL SERVICES AGREEMENT BY AND BETWEEN THE CITY OF LAGUNA HILLS AND MAKE-U-FIT PRODUCTIONS, LLC, DBA RENEGADE RACING, FOR EVENT MANAGEMENT SERVICES FOR THE 2016, 2017, AND 2018 MEMORIAL DAY RACE EVENTS AND AUTHORIZED THE CITY MANAGER TO EXECUTE THE AGREEMENT.

ITEMS REMOVED FROM THE CONSENT CALENDAR

There were no items removed from the Consent Calendar.

4. PLANNING AGENCY

Mayor Gilbert recessed the City Council meeting and acting in the capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:26 p.m.

4.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Gilbert, Vice Chair Kogerman, Agency Member Blount, Agency Member Carruth, Agency Member Sedgwick.

4.2 PUBLIC COMMENTS

There were no Public Comments.

4.3 APPROVAL OF MINUTES FOR SEPTEMBER 22, 2015

THE PLANNING AGENCY APPROVED THE MINUTES OF THE SEPTEMBER 22, 2015, REGULAR MEETING, BY M/AGENCY MEMBER SEDGWICK, S/AGENCY MEMBER CARRUTH. APPROVED BY A VOTE OF 5-0.

4.4 ADMINISTRATIVE REPORTS

There were no Administrative Reports.

4.5 PLANNING AGENCY PUBLIC HEARINGS

4.5.1 CONDITIONAL USE PERMIT (CUP) NO. 6-15-3254, A REQUEST BY PLANCOM, INC., ON BEHALF OF VERIZON WIRELESS, TO ESTABLISH AND OPERATE A NEW WIRELESS COMMUNICATIONS FACILITY (WCF) STEALTHED AS A MONOEUCALYPTUS TREE AT 22933 TRITON WAY IN THE MIXED USE ZONE

Community Development Director Chantarangsu reviewed the project in detail and provided a PowerPoint presentation. Director Chantarangsu stated that subject to the Conditions of Approval, the project meets the requirements and objectives of the City's Development Code.

Chair Gilbert opened the Public Hearing.

Jim Heinrich, applicant, thanked the City Council and City staff for the opportunity and stated that after reading through the Conditions of Approval he would like to address Condition No. 20. Mr. Heinrich requested that a revision be made to Condition of Approval No. 20 to include the wording "shall replace such existing tree(s) with a 24-inch box tree" if an existing tree should fail.

Chair Gilbert closed the Public Hearing.

Council approved the Resolution as originally written.

THE PLANNING AGENCY (1) CONDUCTED A PUBLIC HEARING; AND (2) ADOPTED RESOLUTION NO. PA2015-10-13-1, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT (CUP) NO. 6-15-3254, A REQUEST BY PLANCOM, INC., ON BEHALF OF VERIZON WIRELESS, TO ESTABLISH A NEW WIRELESS COMMUNICATIONS FACILITY (WCF) STEALTHED AS A MONOEUCALYPTUS TREE AT 22933 TRITON WAY IN THE MXU (MIXED- USE) ZONE, BY M/AGENCY MEMBER CARRUTH, S/AGENCY MEMBER BLOUNT. APPROVED BY A VOTE OF 3-2 (AGENCY MEMBER BLOUNT AND VICE CHAIR KOGERMAN VOTING NO).

PLANNING AGENCY ADJOURNMENT

Mayor Gilbert reconvened the City Council meeting at 8:03 p.m. All Council Members were present.

5. CITY COUNCIL PUBLIC HEARINGS

There were no City Council Public Hearings.

6. ADMINISTRATIVE REPORTS

6.1 City Manager

There was no City Manager Report.

7. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS AND MAYOR

There were no matters agendized and presented by City Council Members and Mayor.

8. CITY COUNCIL MEMBER COMMENTS

MAYOR GILBERT

Mayor Gilbert reported that he met with City Manager Channing and the City Manager, Assistant City Manager, and Mayor of Lake Forest on Monday, October 12, 2015, to discuss the Animal Shelter. During the meeting staff was informed that the

County of Orange is planning to build a state-of-the-art animal shelter with ground-breaking scheduled for June 6, 2016, and a Grand Opening set for September 2, 2017. Mayor Gilbert also stated that the Orange County Board of Supervisors has made the Animal Shelter project a priority and the City will need to inform the County of Orange if they intend to join with the other cities to build this new state-of-the-art shelter.

Mayor Pro Tempore Kogerman requested that City staff review the County of Orange report referred to during the public comments by Dr. James Gardner and asked that City staff return to City Council with a Staff Report. Council Member Sedgwick agreed.

MAYOR PRO TEMPORE KOGERMAN

Mayor Pro Tempore Kogerman congratulated Deputy City Manager Reynolds on his engagement.

COUNCIL MEMBER SEDGWICK

Council Member Sedgwick reported that he attended the Grand Opening of the Working Wardrobes Outlet on Wednesday, October 7, 2015, and stated that he is impressed with the organization and the services provided.

COUNCIL MEMBER CARRUTH

Council Member Carruth thanked Community Development Director Chantarangsu for the comprehensive report prepared for the Planning Agency Public Hearing, Item No. 4.5.1, regarding Conditional Use Permit No. 6-15-3254.

ADJOURNMENT

There being no further business of the City Council at this session, Mayor Gilbert adjourned the City Council at 8:14 p.m.

MELISSA AU-YEUNG, CITY CLERK

ATTEST:

DORE J. GILBERT, M.D., MAYOR

APPROVED AT MEETING OF OCTOBER 27, 2015.



City of Laguna Hills City Council Meeting Agenda Staff Report

DATE: OCTOBER 27, 2015
TO: MAYOR AND COUNCIL MEMBERS
FROM: DONALD J. WHITE, ASSISTANT CITY MANAGER
ISSUE: APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED OCTOBER 27, 2015.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF \$765,955.45.

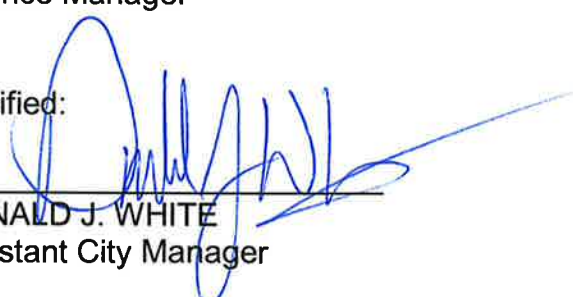
SUMMARY:

In accordance with Government Code Section 37202, the attached Warrant Register reflects the disbursements of the City of Laguna Hills for the period reported thereon. The Assistant City Manager certifies and attests to its accuracy and the availability of funds for the payment thereof. These warrants are hereby submitted to the City Council for approval of payment.

Prepared by:

JANICE MATEO REYES
Finance Manager

Certified:



DONALD J. WHITE
Assistant City Manager

10-20-15
DATE

FISCAL IMPACT:

The warrant register total is \$765,955.45.

ATTACHMENTS:

1. Warrant Register

Check Register Report

Warrant Register 10/27/15

Date: 10/19/2015

Time: 1:13 pm

Page: 1

CITY OF LAGUNA HILLS

BANK: UNION BANK- GENERAL

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
UNION BANK- GENERAL Checks							
8809910	10/08/2015	Printed		A-0277	ALICEA, MIA	Contract Inst Svcs., Dance	388.50
8809911	10/08/2015	Printed		A-0304	AU-YEUNG, MELISSA	Travel Reimb, ICMA, Sep	433.54
8809912	10/08/2015	Printed		B-0276	BANK OF AMERICA	Departmental Expenditure, Sep	6,085.13
8809913	10/08/2015	Printed		H-0956	HASTON, JAMES	Travel Advance, MMASC, Oct	225.00
8809914	10/08/2015	Printed		C-1007	LAW ENFORCEMENT	Law Enforcement Svcs, Oct '15	575,972.38
8809915	10/08/2015	Printed		M-1552	MARTIN-RUSK, DINA	Contract Instr Svcs, Zumba	1,355.20
8809916	10/08/2015	Printed		M-1302	MOULTON NIGUEL WATER DISTRICT	Water Usage, Pub Svcs, Sep	373.05
8809917	10/08/2015	Printed		O-1525	OCCMA	Meeting Expense, Gen Gov, Oct	50.00
8809918	10/08/2015	Printed		R-1964	REFUND, COMMUNITY DEV FEES	Refund, Encroachment, 47695 & 47999	744.78
8809919	10/08/2015	Printed		R-1964	REFUND, COMMUNITY DEV FEES	Refund, Encroachment, CR#51651	966.00
8809920	10/08/2015	Printed		R-1964	REFUND, COMMUNITY DEV FEES	Refund, Encroachment, CR#47206	871.00
8809921	10/08/2015	Printed		R-1964	REFUND, COMMUNITY DEV FEES	Refund, Encroachment, CR#46589	605.83
8809922	10/08/2015	Printed		R-1889	REFUND, FACILITY RENTAL DEPOSIT	I. Monroy, V# 2003592.002	500.00
8809923	10/08/2015	Printed		R-1889	REFUND, FACILITY RENTAL DEPOSIT	Voice Classics, V# 2003593.002	500.00
8809924	10/08/2015	Printed		R-1889	REFUND, FACILITY RENTAL DEPOSIT	H. Molina, V# 2003594.002	500.00
8809925	10/08/2015	Printed		R-1889	REFUND, FACILITY RENTAL DEPOSIT	J. Frederick, V# 2003604.002	500.00
8809926	10/08/2015	Printed		S-1902	SAN DIEGO GAS & ELECTRIC	ST Lites, Sep '15	13,921.53
8809927	10/08/2015	Printed		S-1949	SMART & FINAL	Program & Office Supplies	269.91
8809928	10/08/2015	Printed		S-1904	SOUTHERN CALIFORNIA EDISON	ST Lites, TC, Sep '15	921.62
8809929	10/08/2015	Printed		V-2249	US BANK VOYAGER FLEET SYS	Vehicle Fuel, Sep '15	1,435.40
8809930	10/15/2015	Printed		A-0138	ALL CITY MANAGEMENT, INC.	Crossing Guard Svc, 8/30-9/12	7,253.28
8809931	10/15/2015	Printed		A-0360	ARC DOCUMENT SOLUTIONS, LLC	Printing, CIP # 240	35.61
8809932	10/15/2015	Printed		A-0358	ARDO, KARL	Contract Inst Svcs, Fitness Cl	350.00
8809933	10/15/2015	Printed		B-0332	BRAME, MARILYN	Contract Inst Svcs, Drawing	399.00
8809934	10/15/2015	Printed		C-0412	C&D ELECTRIC, INC.	Park Repairs, Inspect, CIP#240	4,667.34
8809935	10/15/2015	Printed		C-1102	CALIFORNIA BUILDINGS	Building Standard Fund, Jul-Sep	572.40
8809936	10/15/2015	Printed		C-1133	CALIFORNIA YELLOW CAB	Senior Mobility Program, Sep	3,309.00
8809937	10/15/2015	Printed		C-0408	CARL WARREN & COMPANY	Processing Fee, Sml Claims Sep	925.74
8809938	10/15/2015	Printed		S-2162	CARLSEN, SANDY	Mileage Reimb., Jul - Sep	13.56
8809939	10/15/2015	Printed		C-1159	CHANTARANGSU, DAVID	Travel Reimb., APA, Oct '15	332.29
8809940	10/15/2015	Printed		C-1144	CHARLES ABBOTT ASSOCIATES, INC	Plan Chk, Bldg & Safety, Sep	7,848.03
8809941	10/15/2015	Printed		C-1096	CODE PUBLISHING COMPANY, INC.	Municipal Code Update, Sep '15	114.75
8809942	10/15/2015	Printed		C-1139	COMPLETE OFFICE OF CALIFORNIA	Comp Office & Operating Supplies	1,573.68
8809943	10/15/2015	Printed		C-1176	COMPUTER SERVICE CO.	Traffic Sig. Maint, Sep '15	4,667.75
8809944	10/15/2015	Printed		C-0023	COX COMMUNICATION	T1 Line- Com Svcs, Sep '15	318.49
8809945	10/15/2015	Printed		C-1146	CYBERSOURCE CORPORATION	Gateway Expense, Sep '15	29.00
8809946	10/15/2015	Printed		D-0491	DELL COMPUTER CORPORATION	Comp. Hardware, Council Chamber	1,322.59
8809947	10/15/2015	Printed		D-0453	DEPARTMENT OF CONSERVATION	Remittance, SMIP Fee, Jul-Sep	1,208.48
8809948	10/15/2015	Printed		D-0561	DOCU-TRUST	Offsite Data Storage, Sep '15	60.00
8809949	10/15/2015	Printed		D-0552	DUNBAR ARMORED, INC.	Courier Fee, Armored Trans, Oct	126.01
8809950	10/15/2015	Printed		E-0595	ECLIPSE MESSENGER SERVICE, INC	Delivery Service, Sep '15	24.61
8809951	10/15/2015	Printed		E-0554	ECONOMICS, INC.	Prof Svcs, Recycling Prog, Sep	3,885.85
8809952	10/15/2015	Printed		E-0593	EISENBERG, DALE	Contract Inst Svcs., Aikido	1,533.00
8809953	10/15/2015	Printed		E-0553	ELKINS, CHRISTINA	Contract Inst Svcs., Dance	1,985.20
8809954	10/15/2015	Printed		G-0844	GREEN MART, INC.	Operating Supplies, Pub Svcs	1,026.00
8809955	10/15/2015	Printed		H-0943	HENRY, LUCIA	Contract Inst Svcs, Ceramics	577.50
8809956	10/15/2015	Printed		H-0952	HYLAND SOFTWARE, INC.	SIRE Streaming Host 10/15-3/16	1,200.00
8809957	10/15/2015	Printed		I-0960	IRV SEAVER MOTORCYCLES	Motorcycle Maint, PS, Aug	242.71

Check Register Report

Warrant Register 10/27/15

Date: 10/19/2015

Time: 1:13 pm

Page: 2

CITY OF LAGUNA HILLS

BANK: UNION BANK- GENERAL

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
UNION BANK- GENERAL Checks							
8809958	10/15/2015	Printed		I-0942	IRVINE RANCH WATER DISTRICT	Water Usage, Parks, Sep '15	174.20
8809959	10/15/2015	Printed		J-1057	JAMEY CLARK, INC.	Park Repair & Graffiti Removal	1,412.16
8809960	10/15/2015	Printed		K-1126	KNIGHT, LORNA ANGELA	Contract Inst Svcs, Yoga	1,838.20
8809961	10/15/2015	Printed		M-1315	MARTIN & CHAPMAN CO.	Office Supplies, City Clk, Oct	13.75
8809962	10/15/2015	Printed		M-1528	MEDLOCK, GEORGE	Contract Instr Svcs, Drumming	441.70
8809963	10/15/2015	Printed		M-1535	MUSIC MOVES ACADEMY, INC.	Contract Inst Svcs, Music	2,730.00
8809964	10/15/2015	Printed		N-1474	NIEVES LANDSCAPE, INC.	Monthly and Misc Landscape, Oct	79,004.70
8809965	10/15/2015	Printed		O-1546	OFFICE SOLUTIONS	Office/Operating Supplies, Oct	1,100.27
8809966	10/15/2015	Printed		O-1552	ORANGE COUNTY FIRE AUTHORITY	Remit, Fire Fees Collected, Sep	1,857.00
8809967	10/15/2015	Printed		O-1500	ORANGE COUNTY REGISTER	CS 10/18-1/18, CH 10/11-12/11	85.64
8809968	10/15/2015	Printed		O-1500	ORANGE COUNTY REGISTER	CS 10/18-1/18, CH 10/11-12/11	190.02
8809969	10/15/2015	Printed		O-1575	ORANGE COUNTY REGISTER-FREEDOM	Legal Advertising, Sep '15	883.56
8809970	10/15/2015	Printed		P-1788	PACK, DWAYNE	Program Expense, 1/2 Marathon	1,150.00
8809971	10/15/2015	Printed		P-1824	PACKET FUSION, INC.	Annual Maintenance, 7/15-6/16	1,400.00
8809972	10/15/2015	Printed		Q-1707	QUEST DIAGNOSTICS	Pre-employment Drug Testing	18.87
8809973	10/15/2015	Printed		Q-1715	QUESTYS SOLUTIONS	Software Maintenance, 7/15-6/16	4,066.65
8809974	10/15/2015	Printed		R-1889	REFUND, FACILITY RENTAL DEPOSIT	Valencia PTA, V# 2003485.002	165.00
8809975	10/15/2015	Printed		R-1813	RPW SERVICES, INC.	Insect Control, Com Ctr, Aug	125.00
8809976	10/15/2015	Printed		S-2037	SADDLEBACK FAMILY & URGENT CARE	Pre-employ Physical, Aug '15	70.00
8809977	10/15/2015	Printed		S-2253	SOCAL OFFICE TECHNOLOGIES-LEAS	Lease-Copier, CC, Oct '15	965.73
8809978	10/15/2015	Printed		S-2059	STAPLETON, VIVIAN	Cntr Inst Svcs Early Childhood	588.88
8809979	10/15/2015	Printed		S-2209	STUDIO TWO BLACK DIAMOND	Printing Svcs, Admin & Pol Svc	464.40
8809980	10/15/2015	Printed		U-2165	UNDERGROUND SERVICE ALERT	Street Maintenance, Sep '15	109.50
8809981	10/15/2015	Printed		V-2249	US BANK VOYAGER FLEET SYS	Vehicle Fuel, Sep '15	111.82
8809982	10/15/2015	Printed		U-2163	USA DANCE, INC.	Contract Inst Svcs, Dancing	210.00
8809983	10/15/2015	Printed		V-2224	VERIZON WIRELESS	Communication Expense, Sep '15	910.66
8809984	10/15/2015	Printed		W-2337	WEST COAST ARBORISTS, INC.	Tree Trimming, Sep '15	2,117.00
8809985	10/15/2015	Printed		W-2426	WHITE NELSON DIEHL EVANS LLP	Employee Training, Dec '15	325.00
8809986	10/15/2015	Printed		W-2426	WHITE NELSON DIEHL EVANS LLP	Partial Audit Fee 14/15	11,130.00
8809987	10/15/2015	Printed		W-2300	WHITE, DONALD	Travel Advance, ERMAC, Oct	75.00

Total Checks: 78

Checks Total (excluding void checks):

765,955.45

Total Payments: 78

Bank Total (excluding void checks):

765,955.45

Total Payments: 78

Grand Total (excluding void checks):

765,955.45



City of Laguna Hills City Council Meeting Agenda Staff Report

DATE: OCTOBER 27, 2015

TO: MAYOR AND COUNCIL MEMBERS

**FROM: LT. ROLAND CHACON
CHIEF OF POLICE SERVICES**

**ISSUE: AUTHORIZATION TO PURCHASE AND INSTALL "HOT RED" RADIOS AS
PART OF THE ORANGE COUNTY 800 MEGAHERTZ COUNTYWIDE
COORDINATED COMMUNICATIONS SYSTEM**

**RECOMMENDATION: THAT THE CITY COUNCIL: (1) WAIVE COMPETITIVE
FORMAL BIDDING REQUIREMENTS AND PROCEDURES SET FORTH IN THE
LAGUNA HILLS MUNICIPAL CODE (LHMC) SECTION 3-08.080 AND AUTHORIZE THE
SOLE SOURCE PROCUREMENT WITH REGARD TO APPROVAL OF A PURCHASE
WITH MOTOROLA SOLUTIONS, AS IT IS HEREBY FOUND AND DETERMINED,
PURSUANT TO LHMC SECTION 3-08.110, THAT THERE IS ONLY ONE VENDOR
THAT CAN PROVIDE THE NECESSARY EQUIPMENT FOR USE IN THE
COUNTYWIDE 800 MEGAHERTZ COMMUNICATIONS SYSTEM BASED ON THE
INFORMATION PRESENTED HEREIN BY CITY STAFF; AND (2) AUTHORIZE THE
PURCHASE AND INSTALLATION OF "HOT RED" RADIOS IN ACCORDANCE WITH
THE JOINT AGREEMENT FOR THE OPERATION, MAINTENANCE, AND FINANCIAL
MANAGEMENT OF THE ORANGE COUNTY 800 MEGAHERTZ COUNTYWIDE
COORDINATED COMMUNICATIONS SYSTEM.**

SUMMARY:

In accordance with the Joint Agreement (Agreement) for the Operation, Maintenance, and Financial Management of the Countywide Coordinated Communications System (CCCS), this is phase one of the implementation of the previously approved 800 Megahertz (MHz) system. This Agreement was amended by the Board of Supervisors on June 24, 2004, to include the backbone Cost-Sharing Agreement negotiated by the County, 34 cities, and the Orange County Fire Authority (OCFA). Each of the 34 cities and the OCFA executed the 2004 Amendment. The purpose of the system is to provide for an integrated and seamless communications system for law enforcement, emergency services, and public works agencies throughout the County. In this phase, "Hot Red" Radios will be purchased and installed through a contract with Motorola Solutions. The radios will be utilized to equip the Laguna Hills Police Services vehicles. The next phase will incorporate the

portable 800 MHz radios (pacsets) carried by our Deputies as well as designated Public Services staff. Since this is a proprietary procurement of the Motorola 800 MHz radios utilized in the CCCS, the City is not required to follow formal bidding procedures as set forth in the LHMC.

BACKGROUND:

The City has been a part of the Orange County 800 Megahertz Countywide Communications System (800 MHz CCCS) since 2004. The purpose of the system was to provide for an integrated and seamless communications system for law enforcement, emergency services, and public works agencies throughout the County. On February 22, 2015, the City Council approved an amendment to the Joint Agreement for the Operation, Maintenance and Financial Management of the 800 MHz CCCS. The Amendment addressed the estimated cost of the system extension and the commitment on the part of each agency regarding implementation and funding obligations.

The individual obligations for the ongoing maintenance cost of the System Backbone (consoles and equipment), as approved by the Governance Committee, for each of the cities and OCFA are determined by the number of radios that each of the partnering agencies operate on the System. Costs for the radios that operate under contract with the Orange County Sheriff's Department are allocated to the city for which the services are contracted. Attached to this report is the quote from Motorola for required radio equipment. Motorola Solutions is offering a one-time promotion of 50% off the list price, referred to as the “Hot Red” promotion, for all participating agencies that purchase these radios by the end of 2015. If the City does not purchase and receive delivery of the radios designated for the “Hot Red” promotion by the end of 2015, the City will not receive the discount.

The City's Purchasing Ordinance generally requires competitive formal bidding for purchases greater than \$50,000. However, these bidding requirements and procedures set forth in Sections 3-08.080 and 3-08.090 of the LHMC may be waived, at the discretion of the Purchasing Officer or City Council, when any of the exemptions listed in Section 3-08.110 apply. In this case, Motorola Solutions is considered a sole source vendor, offering a singular-type product necessary to match existing equipment, and exemptions A, B, F, and I of Section 3-08.110 apply.

Section 3-08.110 (A) provides for an exemption “when goods and supplies, equipment, or nonprofessional services are of a unique, sole source nature because of their quality, durability, availability, or fitness for a particular use and are available only from one source.” Only Motorola manufactures the radio specified by the County of Orange for use with the existing 800 MHz system.

Section 3-08.110 (B) provides for an exemption “when the goods and supplies, equipment or nonprofessional services are proprietary.” The particular technology for the 800 MHz system is proprietary, and only specific radios are compatible with the system.

Section 3-08.110 (F) provides for an exemption “when in the opinion of the Purchasing Officer a specific make, model, or brand is necessary to match existing city goods and supplies or equipment or to facilitate the continuity of effective maintenance and support.” As indicated, the proposed purchase is for radios that have been pre-selected by the County of Orange for use with the existing 800 MHz system.

Section 3-08.110 (I) provides for an exemption when “in the opinion of the Purchasing Officer it is determined that an unusual or unique situation exists, in that due to experience, specialized qualifications, particular expertise, performance history, and/or reputation, a particular vendor consultant, or contractor is uniquely qualified for a particular task or project, which makes application of the requirements for competitive solicitation under this chapter contrary to either the intended purpose of the project or the public interest.” As indicated, the proposed purchase is for radios that have been pre-selected by the County of Orange for use with the existing 800 MHz system.

FISCAL IMPACT:

The estimated cost to replace our outdated radios with the “Hot Red” radios in this phase is \$124,295.97, including tax and shipping charges. The purchase of the Motorola Solutions “Hot Red” radios is included in the current Operating Budget. The estimated cost is within budget and by acting now comes with a 50% one-time reduction in price that is time sensitive.

ATTACHMENTS:

- Motorola Solutions Quote



Motorola Solutions
6450 Sequence Drive
San Diego, Ca 92121

Attention: Kim Caplan
Phone: 858-442-3979
Kim.Caplan@Motorola.com

Quote:091515HRR LH

PREPARED FOR: Sergeant Matthew Prince
COMPANY : Laguna Hills

Equipment Details and Pricing

Qty.	Model	Description	List	OC Price Book	Promo	Extended
<u>MOBILE HOT RED RECEIVER RADIO</u>						
HOT RED RECEIVER GREEN RADIO MOBILE						
16	M25URS9PW1 N	APX6500 700/800 MHZ MID POWER MOBILE 10-35 WATT	\$12,533.00	\$8,397.11	\$6,266.50	\$100,264.00
16	G51	ADD: SMARTZONE OPERATION				
16	G806	ADD: ASTRO DIGITAL CAI OPERATION				
16	GA00805	ADD: APX 07 CONTROL HEAD				
16	G444	ADD: CONTROL HEAD SOFTWARE				
16	G851	ADD: AES/DES-XL/DES-OFB ENCRYPTION				
16	W969	ADD: MULTI-KEY				
16	G361	ADD: P25 TRUNKING				
16	G67	ADD: REMOTE MOUNT MID POWER				
16	G335	ADD: ANT 1/4 WAVE 762-870 MHZ				
16	W22	ADD: PALM MICROPHONE				
16	B18	ADD: AUXILIARY SPKR 7.5 WATT				
16	W599	ADD: 8 MODE DIRECT ENTRY				
16	GA001115	ADD: DUAL RADIO STACKABLE MID POWER TRUNNION				
16	GA01113AA	ENH: DUAL RADIO OPERATION (PRIMARY RADIO)				
16	GA05100AA	DEL: NO SFS-STD WARRANTY APPLIES				
HOT RED RECEIVER RED RADIO MOBILE						
16	M25URS9PW1 N	APX6500 700/800 MHZ MID POWER MOBILE 10-35 WATT				
16	G51	ADD: SMARTZONE OPERATION				
16	G806	ADD: ASTRO DIGITAL CAI OPERATION				
16	G361	ADD: P25 TRUNKING				
16	G88	ADD: NO CONTROL HEAD NEEDED				
16	G444	ADD: CONTROL HEAD SOFTWARE				
16	G67	ADD: REMOTE MOUNT MID POWER				
16	G335	ADD: ANT 1/4 WAVE 762-870 MHZ				
16	G90	ADD: NO MICROPHONE NEEDED				
16	B18	ADD: AUXILIARY SPKR 7.5 WATT				
16	GA01117AA	ENH: DUAL RADIO OPERATION (SECONDARY RADIO)				
16	GA05100AA	DEL: NO SFS-STD WARRANTY APPLIES				
<u>MOTORCYCLE HOT RED RECEIVER RADIO</u>						
HOT RED RECEIVER GREEN RADIO MOTORCYCLE						
2	M30URS9PW1 N	APX7500 700/800 MHZ MID POWER MOBILE 10-35 WATT	\$13,769.00	\$9,225.23	\$6,884.50	\$13,769.00
2	G51	ADD: SMARTZONE OPERATION				
2	G806	ADD: ASTRO DIGITAL CAI OPERATION				
2	GA00805	ADD: APX 07 CONTROL HEAD				
2	G361	ADD: P25 TRUNKING				
2	G851	ADD: AES/DES-XL/DES-OFB ENCRYPTION				
2	W969	ADD: MULTI-KEY				
2	G444	ADD: CONTROL HEAD SOFTWARE				
2	G67	ADD: REMOTE MOUNT MID POWER				
2	G335	ADD: ANT 1/4 WAVE 762-870 MHZ				
2	B18	ADD: AUXILIARY SPKR 7.5 WATT				
2	GA001115	ADD: DUAL RADIO STACKABLE MID POWER TRUNNION				
2	G138	ADD: APX MOTORCYCLE CH SFWR				
2	W620	ADD: NO MTRCYCLE ENCL NEEDED APEX				
2	GA01116	ADD: DUAL RADIO AUDIO COMBINER				
2	GA01113AA	ENH: DUAL RADIO OPERATION (PRIMARY RADIO)				
2	G90	ADD: NO MICROPHONE NEEDED				
2	GA05100AA	DEL: NO SFS-STD WARRANTY APPLIES				
HOT RED RECEIVER RED RADIO MOTORCYCLE						
2	M25URS9PW1 N	APX6500 700/800 MHZ MID POWER MOBILE 10-35 WATT				
2	G51	ADD: SMARTZONE OPERATION				
2	G806	ADD: ASTRO DIGITAL CAI OPERATION				
2	G361	ADD: P25 TRUNKING				
2	G88	ADD: NO CONTROL HEAD NEEDED				
2	G444	ADD: CONTROL HEAD SOFTWARE				
2	G67	ADD: REMOTE MOUNT MID POWER				
2	G335	ADD: ANT 1/4 WAVE 762-870 MHZ				
2	G90	ADD: NO MICROPHONE NEEDED				
2	GA01117	ENH: DUAL RADIO OPERATION (SECONDARY RADIO)				
2	G142	ADD: NO SPEAKER NEEDED				
2	GA05100AA	DEL: NO SFS-STD WARRANTY APPLIES				

ADDITIONAL MOTORCYCLE PARTS

2	H1835A	8 MODE DIRECT ENTRY
2	HKN6169B	CABLE, REMOTE MOUNT, 5M
2	HMN1090	ADD:PALM MICROPHONE

Pricing per Orange County Price Book Agreement # MA-060-15011560

Pricing Includes Orange County 2015 Hot Red Receiver Promotional Trade In Discount

Radios must be ordered prior to October 31, 2015 and ship prior to December 31, 2015 to be eligible for Promotion

SUBTOTAL	\$114,033.00
TAXES	\$9,122.64
SHIPPING	\$1,140.33

\$124,295.97

QUOTE TERMS AND CONDITIONS :

- 1) Quotes are exclusive of all installation and programming charges(unless expressly stated) and all applicable taxes.
- 2) Purchaser will be responsible for shipping costs, which will be added to the invoice.
- 3) Prices quoted are valid for thirty(30) days from the date of this quote.
- 4) Unless otherwise stated, payment will be due within thirty days after invoice.
- 5) The information provided in this quote is provided for budgetary purposes only, and does not constitute an offer to sell or license any Motorola product.



City of Laguna Hills City Council Meeting Agenda Staff Report

DATE: OCTOBER 27, 2015

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DONALD J. WHITE
ASSISTANT CITY MANAGER**

**ISSUE: FIRST QUARTER FINANCIAL AND TREASURER'S REPORT FOR FISCAL
YEAR 2015/2016**

**RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AND FILE THE
REPORT.**

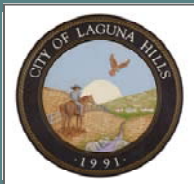
SUMMARY:

Attached to this report is a pamphlet entitled "City of Laguna Hills Quarterly Financial Highlights, First Quarter, Fiscal Year 2015/16." The information presented in the pamphlet provides the City Council and City management with the results of the City's financial operations for the first quarter ended September 30, 2015. The total fund balance at the end of the first quarter for all governmental funds totaled \$7,884,191. The report states that there are no material deviations or significant variances to report at this time.

The Quarterly Financial Highlights also contains a condensed Treasurer's Investment Report as of September 30, 2015, on page 6. The City's total portfolio of \$8,579,438 at the end of the first quarter for all funds is invested in authorized securities. The City's investment policy approved by City Council Resolution is the prevailing guideline in managing investments.

ATTACHMENTS:

- City of Laguna Hills Quarterly Financial Highlights
First Quarter, Fiscal Year 2015/16



CITY OF LAGUNA HILLS

Quarterly Financial Highlights

First Quarter, Fiscal Year 2015/16

Honorable Mayor and City Council Members:

The following unaudited financial information summarizes the City's overall financial position for the current fiscal year through September 30, 2015. A Summary of Funding Sources and Uses for the three months ended September 30, 2015 is presented in the following table:

Summary of Funding Sources & Uses For the 3 months ended September 30, 2015

	YTD Actual (million)	Budget (million)	YTD % of Budget
<i>Funding Sources</i>	\$ 1.3	\$ 24.9	5%
<i>Funding Uses</i>	5.0	24.4	21%
<i>Net Change</i>	(\$3.7)	\$.7	

REPORT VARIANCES

The Comparative Statement of Operations for Governmental Funds, on page 3, shows the detail of the YTD Actual in relation to the budget. There are a number of revenue and expenditures items that would show significant deviation if the straight-line comparison was applied. In this approach, one would expect most line items to approximate 25% of budget by the end of the first quarter. However, several revenue and expenditure items do not follow this straight-line method and are received or expended unevenly over the course of the year. Government Accounting Standards Board (GASB) Statement No. 33 establishes the timing of recognition of non-exchange transactions, such as "derived tax revenue" and "imposed non-exchange revenues". In compliance with GASB No. 33, revenues from non-exchange transactions, such as property and sales tax, received in the first two months of this fiscal year were accrued in the prior fiscal year. There are also certain expenditures, such as annual insurance premiums, that are expended in full during the first part of the fiscal year. Thus, the YTD as a percentage of budget shown in this report does not necessarily indicate material deviations or budget variances. With this perspective in mind, staff has determined that there are no material budget variances to report at this time.

FUND BALANCE

Included in this pamphlet, on page 5, is a report on the City's Fund Balance as of September 30, 2015. City-managed short-term idle funds, as well as bond funds, are invested in approved securities. An abridged balance sheet, which itemizes the City's assets and liabilities, is included on page 4.

Continued on page 2

Funding Sources

The City's total funding sources comprise of general fund revenues, special fund revenues, and other financing sources. At the end of the first quarter, total funding sources were approximately \$1.3 million, or 5% of budget.

GENERAL FUND REVENUES

General Fund Revenues are utilized primarily to finance the City's general governmental activities. At quarter end, general fund revenues totaled \$1,053,006, or 5% of budget. Receipts of Property Tax came in at \$190,968, or 2% of budget. Intergovernmental Revenues, which includes sales tax revenue, were \$306,292, or 5% of budget. The recording of these revenue sources comply with GASB 33 which addresses the timing of recognition of non-exchange transactions, e.g. property tax (imposed non-exchange revenues) and sales taxes (derived tax revenues). Franchise Taxes is comprised of franchise fees from utility companies and hotel transient occupancy tax, which came in at \$54,675, or 2% of budget. These receipts lag by one quarter and no accrual was made at quarter end. Revenues from Licenses & Permits, \$210,207, and Charges for Services, \$231,210, are dependent upon development activities and came in at 30% and 20% of budget respectively. Fines and Forfeitures, which includes parking and vehicle fines, ended the quarter at 23% of budget, at \$59,653.

SPECIAL REVENUES AND GRANTS

Many of the Special Revenue funding sources are tied in with the City's Capital Improvement Plan. The receipts of funding sources for certain capital projects typically lag behind the spending on the projects, as the claims are applied for during construction or after project-completion. At the end of the first quarter, special revenues receipts totaled \$242,157, or 6% of budget.

OTHER FUNDING SOURCES

In accordance with GAAP, not all increases in governmental fund financial resources can be classified as revenue. Certain increases instead are reported as other financing sources, such as sales of general capital assets, proceeds of general long-term debt, and financial inflows from other funds.

Funding Uses

The City's total funding uses consist of the City's Operating Expenditures, outlay for Capital Improvement projects, debt charges and expenditures for grant related programs. At the end of the first quarter, total funding uses totaled approximately \$5 million, 21% of the annual budget.

OPERATING EXPENDITURES

At the end of the first quarter, operating expenditures totaled roughly \$4 million, which represents 22% of the total operating budget. While total operating expenditures came in below 25% of budget, the spending levels for Non-Departmental were higher at 41% of budget due to annual insurance premiums paid in full at the onset of the fiscal year.

CAPITAL IMPROVEMENT PLAN

The original budget of approximately \$3.3 million accounts for financial resources to be used for the construction or acquisition of the City's capital projects. At the end of the first quarter, total capital expenditures were \$610,529, 18% of

budget. The following table lists the City's capital projects by major expenditure category as of the end of this reporting period.

Capital Improvement Program For the 3 Months Ended, September 30, 2015	
Flood Control & Water Quality	3,615
Parks	596,875
Public Facilities	10,039
Total	\$ 610,529

OTHER FUNDING USES

The Debt Service Fund is used to pay the City's debt service on its 2010 Refinancing Project bond issue. Special Revenue Funds are used to account for certain sources set aside for specific purpose, to avoid including restricted revenues within the General Fund, and to provide separate information on the sources and application of these restricted sources.

CITY OF LAGUNA HILLS
COMPARATIVE STATEMENT OF OPERATION - GOVERNMENTAL FUNDS
FOR THE 3 MONTHS ENDED, SEPTEMBER 30, 2015

	FY 2015/16			FY 2014/15		
	Y-T-D ACTUAL	AMENDED BUDGET	YTD % of BUDGET	Y-T-D ACTUAL	AMENDED BUDGET	YTD % of BUDGET
FUNDING SOURCES						
General Fund Revenues						
Property Taxes	\$ 190,968	\$ 9,662,081	2%	\$ 229,717	\$ 9,114,324	3%
Intergovernmental Revenues	306,292	6,307,000	5%	450,552	5,952,540	8%
Franchise Taxes	54,675	2,598,700	2%	90,753	2,611,407	3%
Licenses and Permits	210,207	700,000	30%	198,484	761,500	26%
Charges for Current Services	231,210	1,131,985	20%	226,669	962,371	24%
Fines & Forfeitures	59,653	260,000	23%	46,450	325,000	14%
Total General Fund Revenues	<u>1,053,006</u>	<u>20,659,766</u>	5%	<u>1,242,625</u>	<u>19,727,142</u>	6%
Special Revenue Funds						
Gas Tax Fund	105,557	736,729	14%	144,581	1,011,858	14%
Measure M2 Fair Share	81,740	587,490	14%	85,428	567,482	15%
Measure M - Competitive	-	2,092,000	0%	-	99,559	0%
AB 2766 Fund	-	-	-	-	40,000	0%
CDBG	-	70,380	0%	-	150,000	0%
HSIP	-	133,000	0%	-	-	-
Quimby Act Fees	-	-	-	-	1,341,259	0%
Beverage Recycling Fund	-	26,233	0%	-	19,984	0%
CR&R Recycling Fees	22,000	22,000	100%	20,000	20,000	100%
C&D Forfeited Deposits	-	54,806	0%	-	49,583	0%
Senior Mobility Program	5,052	28,776	18%	5,236	31,500	17%
Grants and Contributions	-	422,000	0%	-	-	-
Law Enforcement Grants	27,807	100,000	28%	870	100,000	1%
Total Special Revenue Funding	<u>242,157</u>	<u>4,273,414</u>	6%	<u>256,116</u>	<u>3,431,225</u>	7%
Other Funding Sources						
Interest Income	7,524	-	-	5,113	75,000	7%
Distribution from Enterprise Fund	-	50,000	0%	-	200,000	0%
Total Other Funding Sources	<u>7,524</u>	<u>50,000</u>	15%	<u>5,113</u>	<u>275,000</u>	2%
TOTAL FUNDING SOURCES	<u>\$ 1,302,686</u>	<u>\$ 24,983,180</u>	5%	<u>\$ 1,503,854</u>	<u>\$ 23,433,367</u>	6%
FUNDING USES						
Operating Expenditures						
General Government	\$ 489,243	2,694,512	18%	\$ 571,182	\$ 2,684,341	21%
Non-Departmental	278,747	680,763	41%	321,290	628,498	51%
Community Development	241,746	1,396,218	17%	297,376	1,191,500	25%
Public Services	828,673	4,300,900	19%	885,103	4,331,360	20%
Community Services	510,133	2,015,498	25%	526,621	1,792,580	29%
Police Services	1,738,128	7,496,195	23%	1,806,306	7,229,935	25%
Total Operating Expenditures	<u>4,086,671</u>	<u>18,584,086</u>	22%	<u>4,407,878</u>	<u>17,858,214</u>	25%
Capital Improvement Program	<u>610,529</u>	<u>3,346,874</u>	18%	<u>451,160</u>	<u>3,819,047</u>	12%
Other Funding Uses						
Debt Charges	250,694	1,801,387	14%	275,694	1,801,387	15%
Use of Reserves	2,780	250,000	1%	267	87,251	0%
Distribution to Enterprise Fund	100,000	60,030	167%	-	-	-
Special Revenue Fund Expenditures						
CDBG Fund Expenditures	-	70,380	0%	28,160	150,000	19%
Senior Mobility Program	2,238	28,776	8%	3,305	31,500	10%
Beverage Recycling	-	26,233	0%	-	19,984	0%
CR&R Recycling Fund	3,604	22,000	16%	9,140	20,000	46%
Forfeited C&D Deposits	994	54,806	2%	1,432	49,583	3%
Total Other Funding Uses	<u>360,309</u>	<u>2,313,612</u>	16%	<u>317,997</u>	<u>2,159,705</u>	15%
TOTAL FUNDING USES	<u>\$ 5,057,509</u>	<u>\$ 24,244,572</u>	21%	<u>\$ 5,177,035</u>	<u>\$ 23,836,966</u>	22%
NET CHANGE IN FUND BALANCE	<u>\$ (3,754,822)</u>	<u>\$ 738,608</u>		<u>\$ (3,673,181)</u>	<u>\$ (403,599)</u>	

CITY OF LAGUNA HILLS
ABRIDGED BALANCE SHEET - GOVERNMENTAL FUNDS (UNAUDITED)
SEPTEMBER 30, 2015

ASSETS

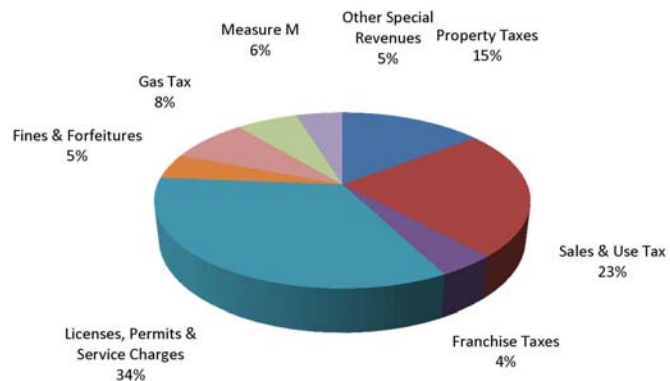
Cash and investments	\$ 8,520,144
Receivables:	
Accounts	125,440
Interest	8,403
Due from other governments	249,043
Prepaid items	<u>67,850</u>
Total assets	<u>\$ 8,970,880</u>

LIABILITIES AND FUND BALANCES

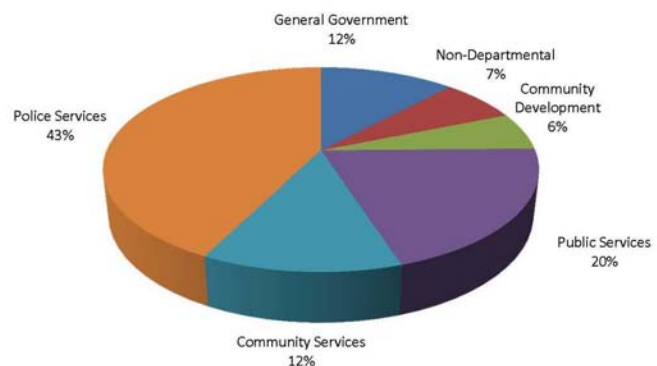
Liabilities:	
Accounts payable	\$ 138,817
Refundable deposits to contractors	718,018
Deferred revenue	181,944
Trust accounts	<u>13,986</u>
Total liabilities	<u>1,086,690</u>
Fund balances:	<u>7,884,191</u>
Total liabilities and fund balances	<u>\$ 8,970,880</u>

REVENUES -

**General Fund &
Special Revenue Funds
FY 2015/16,
As of 09/30/15**



**OPERATING
EXPENDITURES
FY 2015/16,
As of 09/30/15**



CITY OF LAGUNA HILLS**GOVERNMENTAL FUNDS****STATEMENT OF WORKING FUNDS (UNAUDITED)****AS OF SEPTEMBER 30, 2015****Fund Balance**

General Fund	\$ 6,944,532
AB 2766 Fund	30,889
CARITS	1,064,465
Water Conservation	323,865
Senior Mobility Program	73,109
Quimby Act Park Impact Fees	1,407,346
Beverage Recycling	34,560
CR&R Recycling	(2,717)
C&D Forfeited Deposits	55,351
AB 939 Surcharge Grant	51
Public Art Fund	(227,254)
Law Enforcement Special Revenue Funds	1,147
Grants & Contributions	127,202
Debt Service	1,806,468

Total Beginning Fund Balance, as of July 1, 2015 **11,639,013**

Net Change in Fund Balance, as of September 30, 2015 (3,754,822)

Total Fund Balance, as of September 30, 2015 **\$ 7,884,191**

Disposition of Working Funds

Total Cash and Demand Deposits	\$ 792,768
Total Investments	<u>7,727,376</u>
Total Cash and Investments (for details see Treasurer's Report)	8,520,144
Receivables Net of Liabilities	<u>(635,954)</u>

Total Fund Balance, as of September 30, 2015 **\$ 7,884,191**

The Quarter End Financial Management Report for the First Quarter of Fiscal Year 2015-16 is hereby submitted. The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. To the best of our knowledge and belief, the above information is reported in a manner that presents fairly the financial position and results of operation of the Governmental Funds of the City of Laguna Hills as of September 30, 2015.

Respectfully submitted,

original signed

Donald J. White
Assistant City Manager

October 21, 2015

Date

TREASURER'S INVESTMENT REPORT - ALL FUNDS (CONDENSED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2015

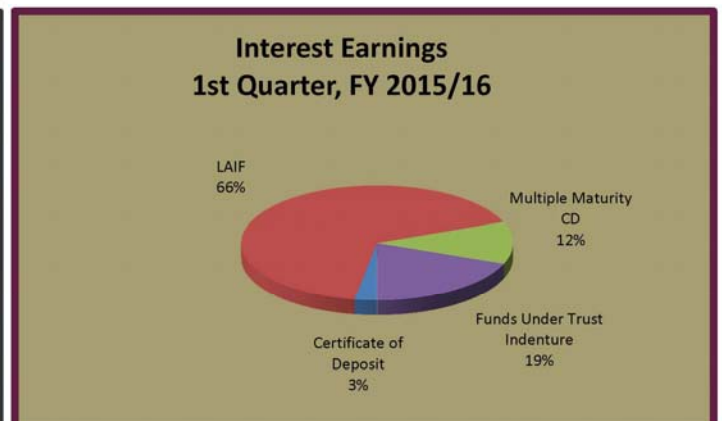
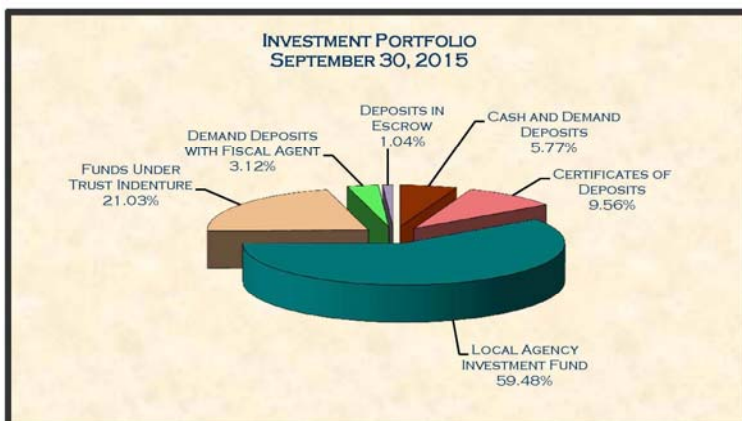
Cash and Investments by Type	1st Quarter Beginning Book Value	Deposits	Withdrawals	1st Quarter Ending Book Value	1st Quarter Interest Income
Cash on Hand	\$ 1,750	\$ -	\$ -	\$ 1,750	\$ -
Demand Deposits	876,397	6,260,534	6,643,456	493,474	-
Certificates of Deposits	750,000	-	-	750,000	202
Multiple Maturity Certificates of Deposits	70,502	-	-	70,502	900
State Treasurer's Investment Fund	7,797,771	4,947	2,700,000	5,102,718	5,037
Funds Under Trust Indenture	1,805,194	254,280	255,317	1,804,156	1,452
Demand Deposits with Fiscal Agent	32,024	643,954	408,130	267,848	-
Deposits in Escrow	88,990	-	-	88,990	-
TOTAL	\$ 11,422,628	\$ 7,163,714	\$ 10,006,903	\$ 8,579,438	\$ 7,591

The City's investment policy approved by Council resolution is the prevailing guideline in managing investments. Short-term excess cash is currently invested primarily in the Local Agency Investment Fund (LAIF) administered by the State Treasurer. Funds held under trust indenture by The Bank of New York Mellon Trust Company, N.A, is a Reserve Fund established to secure the timely payment of principal and interest represented by the 2010 Refinancing Project bond issues.

The following is the summary of the cash and investments for the 1st quarter ended September 30, 2015, compared with the same period of the previous fiscal year:

	September 30, 2015	September 30, 2014
Cash on hand	\$ 1,750	\$ 1,750
Pooled Deposits:		
Demand Deposits	761,322	1,433,936
Certificates of Deposits	820,502	820,502
Total Pooled Deposits	1,581,824	2,254,438
Pooled Investments:		
Local Agency Investment Fund	5,102,718	2,837,837
Restricted Cash and Investments:		
Local Agency Investment Fund	1,803,686	1,804,000
Demand Deposits	89,460	62,059
Total Cash and Investments	\$ 8,579,438	\$ 6,960,084

We believe the City's portfolio provides sufficient cash flow liquidity to meet the next six months of the City's projected operating expenditures.





City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 27, 2015

TO: MAYOR AND COUNCIL MEMBERS

**FROM: KENNETH H. ROSENFELD, P.E.
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER**

ISSUE: SHENANDOAH DRIVE STREET IMPROVEMENTS

RECOMMENDATION: THAT THE CITY COUNCIL DIRECT STAFF TO SURVEY THE RESIDENTS OF SHENANDOAH DRIVE AS TO THEIR INTEREST IN THE CONSTRUCTION OF CONCRETE CURBS AND GUTTERS AS A PART OF THE FISCAL YEAR 2017-2019 CAPITAL IMPROVEMENT PROGRAM BUDGET PREPARATION.

SUMMARY:

The original construction of a number of residential streets southerly of Oso Parkway were built utilizing asphalt concrete for the edge treatment in lieu of concrete curb and gutters. Staff believes this was done for the purpose of providing a “rural” street scene. Beginning in 1994, the City surveyed the residents of these streets to determine their support for replacing the edge treatment with concrete curbs and gutters. Seven streets were identified for this work and six of them, following surveys, supported the installation of the new curbs and gutters. Shenandoah Street did not provide a majority support (5 of 12 residences) for the concrete improvements and the asphalt concrete edge treatment has remained. A resident of Shenandoah Street has requested the City revisit this issue and seeks to have concrete curbs and gutters installed on this street. This type of work has always been performed as a part of the area street Capital Improvement Program and the budgeting process. Staff proposes to survey the residents of Shenandoah Street to determine their desire for concrete curbs and gutters as a part of the Fiscal Year 2017-2019 Year Budget.

BACKGROUND:

By design, most streets in the Nellie Gail Ranch have a rural character with most not being built with sidewalks, most having lantern-style low-level street lighting, and many streets not being built with concrete curbs and gutters. The latter of these streets utilized rolled asphalt concrete as an edge treatment and were found to be in disrepair upon the City's

incorporation. The asphalt concrete had deteriorated due to the erosive action of drainage water creating an irregular gutter. As a result of this condition, when the City initiated the biennial street maintenance program, staff recommended replacing these asphalt concrete edges with concrete curbs and gutters. Seven streets were identified for this work and six of them, following surveys, supported the installation of the new curbs and gutters. The new concrete curbs and gutters were installed circa 1994 and 1996, depending upon what street was next in the cycle of maintenance.

At the time, the residents of one street, Shenandoah Drive, did not support the installation of concrete curbs and gutters with a vote of only five of twelve properties in support of the work (City Council Meeting of May 14, 1996, Item 4.6). Therefore, this street has remained with asphalt concrete edge treatments even though it has been resurfaced through the City's normal street maintenance activities. A resident of Shenandoah Drive, Meg Gorham, addressed the City Council at the meeting of September 22, 2015, and requested the City revisit the need for concrete curbs and gutters on Shenandoah Drive.

The replacement of the asphalt concrete edge treatment with concrete curbs and gutters on Shenandoah Drive will reduce long-term maintenance needs and costs on this street and allow for private property drain lines to appropriately penetrate the curb and be covered with grates. In the past, this type of work was only performed as a part of the area street Capital Improvement Program through the budgeting process.

Staff proposes to survey the residents of Shenandoah Drive to determine their desire for concrete curbs and gutters as a part of the Fiscal Year 2017-2019 Budget. The results of the survey could then be considered by City Council and, if approved, be budgeted to occur in the next street maintenance cycle.

FISCAL IMPACT:

The installation of concrete curbs and gutters on Shenandoah Drive and the resurfacing of the street upon completion of the work have an estimated cost of \$105,000 for design and construction. Funds are not available in the current Capital Improvement Program Budget for this work.



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 27, 2015

TO: MAYOR AND COUNCIL MEMBERS

**FROM: KENNETH H. ROSENFELD, P.E.
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER**

ISSUE: COMPREHENSIVE TRANSPORTATION FUNDING PROGRAM PROJECT APPLICATION TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR THE EXTENDED ENVIRONMENTAL ANALYSIS AND PRELIMINARY ENGINEERING FOR THE FUTURE PASEO DE VALENCIA WIDENING PROJECT, CIP NO. 145

RECOMMENDATION: THAT THE CITY COUNCIL: (1) APPROVE THE SUBMISSION OF THE PROJECT APPLICATION UNDER THE COMPREHENSIVE TRANSPORTATION FUNDING PROGRAM; AND (2) ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING THE SUBMISSION OF THE PASEO DE VALENCIA WIDENING PROJECT TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR FUNDING UNDER THE COMPREHENSIVE TRANSPORTATION FUNDING PROGRAM."

SUMMARY:

The Orange County Transportation Authority (OCTA) has issued the call for projects for the Comprehensive Transportation Funding Program's (CTFP) Regional Capacity Program (RCP) and Regional Traffic Signal Synchronization Program (RTSSP). The CTFP is the mechanism by which OCTA administers competitive funding for streets and roads projects to be funded under Measure M2. Staff has prepared a project application for the extended environmental analysis and preliminary engineering for the Paseo de Valencia Widening Project, CIP No. 145. The funding request is limited to environmental clearance and preliminary engineering; no construction funding is being requested at this time. Approval of the application and adoption of the required Resolution is recommended.

BACKGROUND:

OCTA has recently issued the call for projects under the CTFP. The CTFP allocates funding under a variety of Measure M2 project types including arterial highway capacity enhancements (roadway widenings or gap closures), intersection capacity enhancements

(expanding the number of lanes at intersections), freeway arterial/streets transitions (improving access to freeway on- and off-ramps), and grade separations (bridges at railroad crossings). In response to this request for project applications, staff has identified the Paseo de Valencia Widening Project, CIP No. 145, for its entire length, from El Toro Road to Laguna Hills Drive, as an eligible project under the arterial highway capacity enhancements (ACE) program.

The 2009 General Plan Mobility Element identified locations of the City's arterial highways which are in need of future widening to add lanes and traffic carrying capacity. In addition, in order to retain eligibility for Measure M2 turnback funding, the City is required to implement the Orange County Master Plan of Arterial Highways (MPAH). The MPAH requires a six-lane configuration of Paseo de Valencia from El Toro Road to Alicia Parkway. The addition of one southerly bound lane along Paseo de Valencia will complete the six-lane configuration of this arterial highway in conformance with the MPAH.

Staff has identified the potential additional lane for Paseo de Valencia extends from El Toro Road to Laguna Hills Drive. Last year, preliminary design work for a widening of Paseo de Valencia from Kennington Drive to Laguna Hills Drive to add one lane in this reach was prepared. The associated project mitigated negative declaration was not presented for City Council approval as it was determined that an Environmental Impact Report (EIR) will be required for this project.

Staff is seeking additional Measure M2 funding to prepare an EIR and to expand the potential project limits for the entire length of Paseo de Valencia from El Toro Road to Laguna Hills Drive. No construction funding is being requested at this time.

City Council is requested to authorize staff to submit the project application for the Paseo de Valencia Widening Project in response to the call for projects for the Comprehensive Transportation Program by the adoption of the required attached Resolution.

FISCAL IMPACT:

The CTFP requires a twenty-five percent (25%) City match if the projects are selected for funding through the competitive funding program. The Paseo de Valencia Widening Project has an environmental clearance and preliminary design cost of approximately \$650,000 requiring a City match of \$162,500. Potential matching funds for this project can be provided by the CARITS road-fee program.

CEQA FINDINGS:

An EIR is required for the completion of the CEQA process.

ATTACHMENTS:

- Resolution
- Vicinity Map

RESOLUTION NO. 2015-10-27-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING THE SUBMISSION OF THE PASEO DE VALENCIA WIDENING PROJECT TO THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR FUNDING UNDER THE COMPREHENSIVE TRANSPORTATION FUNDING PROGRAM

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, the City of Laguna Hills desires to implement the transportation improvements listed below; and

WHEREAS, the City of Laguna Hills has been declared by the Orange County Transportation Authority to meet the eligibility requirements to receive M2 "Fair Share" funds; and

WHEREAS, the City's Circulation Element is consistent with the County of Orange Master Plan of Arterial Highways; and

WHEREAS, the City of Laguna Hills will provide a minimum of twenty five percent in matching funds for the Paseo de Valencia Widening Project as required by the Orange County Comprehensive Transportation Funding Programs Guidelines; and

WHEREAS, the Orange County Transportation Authority intends to allocate funds for transportation improvement projects within the incorporated cities and the County; and

WHEREAS, the City of Laguna Hills will not use M2 funds to supplant Developer Fees or other commitments; and

WHEREAS, the City of Laguna Hills will include all projects funded by Net Revenues in the seven-year Capital Improvement Program as part of the Measure M2 Ordinance eligibility requirement; and

WHEREAS, the City of Laguna Hills authorizes a formal amendment to the seven-year Capital Improvement Program to add projects approved for funding upon approval from the Orange County Transportation Authority Board of Directors.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The City Council of the City of Laguna Hills hereby requests the Orange County Transportation Authority allocate funds in the amounts specified in the City's application to said City from the Comprehensive Transportation Programs. Said funds shall be matched by funds from said City as required and shall be used as supplemental funding to aid the City in the improvement of the following street(s):

- The widening of Paseo de Valencia from El Toro Road to Laguna Hills Drive.

PASSED, APPROVED, AND ADOPTED this 27TH day of October 2015.

DORE J. GILBERT, M.D., MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2015-10-27-x adopted by the City Council of the City of Laguna Hills, California, at a Regular Meeting thereof held on the 27TH day of October 2015, by the following vote:

AYES:

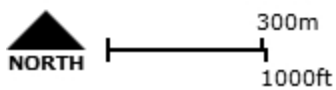
NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK



Date: 10/19/15

PASEO DE VALENCIA

El Toro Road to Laguna Hills Drive



THE CITY COUNCIL APPROVED THE EVENT MANAGEMENT PROFESSIONAL SERVICES AGREEMENT BY AND BETWEEN THE CITY OF LAGUNA HILLS AND MAKE-U-FIT PRODUCTIONS, LLC, DBA RENEGADE RACING, FOR EVENT MANAGEMENT SERVICES FOR THE 2016, 2017, AND 2018 MEMORIAL DAY RACE EVENTS AND AUTHORIZED THE CITY MANAGER TO EXECUTE THE AGREEMENT.

ITEMS REMOVED FROM THE CONSENT CALENDAR

There were no items removed from the Consent Calendar.

4. PLANNING AGENCY

Mayor Gilbert recessed the City Council meeting and acting in the capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:26 p.m.

4.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Gilbert, Vice Chair Kogerman, Agency Member Blount, Agency Member Carruth, Agency Member Sedgwick.

4.2 PUBLIC COMMENTS

There were no Public Comments.

4.3 APPROVAL OF MINUTES FOR SEPTEMBER 22, 2015

THE PLANNING AGENCY APPROVED THE MINUTES OF THE SEPTEMBER 22, 2015, REGULAR MEETING, BY M/AGENCY MEMBER SEDGWICK, S/AGENCY MEMBER CARRUTH. APPROVED BY A VOTE OF 5-0.

4.4 ADMINISTRATIVE REPORTS

There were no Administrative Reports.

4.5 PLANNING AGENCY PUBLIC HEARINGS

4.5.1 CONDITIONAL USE PERMIT (CUP) NO. 6-15-3254, A REQUEST BY PLANCOM, INC., ON BEHALF OF VERIZON WIRELESS, TO ESTABLISH AND OPERATE A NEW WIRELESS COMMUNICATIONS FACILITY (WCF) STEALTHED AS A MONOEUCALYPTUS TREE AT 22933 TRITON WAY IN THE MIXED USE ZONE

Community Development Director Chantarangsu reviewed the project in detail and provided a PowerPoint presentation. Director Chantarangsu stated that subject to the Conditions of Approval, the project meets the requirements and objectives of the City's Development Code.

Chair Gilbert opened the Public Hearing.

Jim Heinrich, applicant, thanked the City Council and City staff for the opportunity and stated that after reading through the Conditions of Approval he would like to address Condition No. 20. Mr. Heinrich requested that a revision be made to Condition of Approval No. 20 to include the wording "shall replace such existing tree(s) with a 24-inch box tree" if an existing tree should fail.

Chair Gilbert closed the Public Hearing.

Council approved the Resolution as originally written.

THE PLANNING AGENCY (1) CONDUCTED A PUBLIC HEARING; AND (2) ADOPTED RESOLUTION NO. PA2015-10-13-1, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT (CUP) NO. 6-15-3254, A REQUEST BY PLANCOM, INC., ON BEHALF OF VERIZON WIRELESS, TO ESTABLISH A NEW WIRELESS COMMUNICATIONS FACILITY (WCF) STEALTHED AS A MONOEUCALYPTUS TREE AT 22933 TRITON WAY IN THE MXU (MIXED- USE) ZONE, BY M/AGENCY MEMBER CARRUTH, S/AGENCY MEMBER BLOUNT. APPROVED BY A VOTE OF 3-2 (AGENCY MEMBER BLOUNT AND VICE CHAIR KOGERMAN VOTING NO).

PLANNING AGENCY ADJOURNMENT

Mayor Gilbert reconvened the City Council meeting at 8:03 p.m. All Council Members were present.

5. CITY COUNCIL PUBLIC HEARINGS

There were no City Council Public Hearings.

6. ADMINISTRATIVE REPORTS

6.1 City Manager

There was no City Manager Report.

7. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS AND MAYOR

There were no matters agendized and presented by City Council Members and Mayor.

8. CITY COUNCIL MEMBER COMMENTS

MAYOR GILBERT

Mayor Gilbert reported that he met with City Manager Channing and the City Manager, Assistant City Manager, and Mayor of Lake Forest on Monday, October 12, 2015, to discuss the Animal Shelter. During the meeting staff was informed that the



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: OCTOBER 27, 2015

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE
ASSISTANT CITY MANAGER

ISSUE: OVERVIEW AND UPDATE ON OC ANIMAL CARE OPERATIONS AND NEW SHELTER UPDATE

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AND FILE THIS REPORT.

SUMMARY:

At the October 13, 2015, City Council meeting, the City Council requested a variety of information from staff regarding OC Animal Care and its operations. Over the past few weeks, staff has received information from the County regarding an expedited schedule for the new County shelter. As a result of these two developments, staff thought it would be timely to provide the City Council with a comprehensive overview and update on OC Animal Care operations and the new shelter.

BACKGROUND:

This comprehensive overview and update on OC Animal Care operations and the new shelter has been organized into the following six sections:

- Section 1: OC Animal Care Shelter Statistical Summaries
- Section 2: Field Operations Statistics
- Section 3: Animal Care Services Financial Analysis
- Section 4: External Reports on OC Animal Care
- Section 5: OC Animal Care Shelter Update
- Section 6: Alternative Animal Care Service Delivery Options

Section 1: OC Animal Care Shelter Statistical Summaries

Attached to this staff report as Exhibits A and B are the impound summaries for calendar year 2014 for OC Animal Care as a whole and for Laguna Hills. Where appropriate,

numbers and statistics have been adjusted to exclude owner requested euthanasia and deceased animal impounds.

Findings for OC Animal Care (see Exhibit A)

- Overall there were 31,527 animals impounded, including 12,640 cats and 11,987 dogs.
- The overall euthanasia rate was 34%.
- 20%, or 6,230 of the animals impounded **were not** dogs, cats, or rabbits.
- The euthanasia rate for dogs was relatively low at 11%, while cats remained relatively high at 53%.
- 95% of all animals euthanized are for behavior, medical, or too young. Too young means less than 8 weeks and cannot survive without maternal care.
- 56% of euthanized cats are euthanized because they are too young.

Findings for Laguna Hills (see Exhibit B)

- Overall there were 259 animals impounded, including 66 cats and 97 dogs.
- The overall euthanasia rate was 32%.
- 32%, or 83 of the animals impounded **were not** dogs, cats, or rabbits.
- The euthanasia rate for dogs was low at 6%, while the rate for cats is relatively high at 48%.
- 98% of all animals euthanized are for behavior, medical, or too young.
- 41% of euthanized cats are euthanized because they are too young.

In addition to the summaries for OC Animal Care, and specifically for Laguna Hills, staff conducted an analysis of cat and dog intake and euthanasia data for the last three calendar years for Laguna Hills and nine other cities that both contract with OC Animal Care and have comparable demographics to Laguna Hills. The results of this analysis can be found in Exhibit C.

Findings (see Exhibit C)

- Laguna Hills averaged 57 cats impounded over the last three years and for 2014 are on the low end of cat intakes per 1,000 residents at 1.82. The total for OC Animal Care is 5.21.
- The City is on the high end of cats euthanized though this percentage has dropped from 72% in 2012 to 48% in 2014.
- The number of dogs impounded has decreased from 125 in 2012 to 67 in 2014.

- When compared to other cities, Laguna Hills is on the low end of dog intake per 1,000 residents at 2.17. The total for OC Animal Care is 4.72.
- The City's euthanasia rate for dogs is on the low end (6%) when compared to other cities and the OC Animal Care rate of 11%.

Section 2: Field Operations Statistics

As is pointed out in Table 1 below, field operations represents 83-85% of animal care costs for the City. Exhibit D to this report contains a detailed listing of the 924 field actions in Laguna Hills in 2014 and 47 permits issued by OC Animal Care. It should be noted that many of the field actions do not result in an animal being taken to the shelter.

Section 3: Animal Care Services Financial Analysis

Table 1 below shows a financial summary and analysis of the past three fiscal years. There may be some minor discrepancies between the information in Table 1, which is based on a fiscal year, and data found in the summaries in Sections 1 and 2, which are based on the calendar year.

Table 1

	2012-13	2013-14	2014-15
Field Services			
Field Count	1,139	1,122	941
Total Field Costs	\$ 222,684	\$ 226,527	\$ 214,810
Cost per Field Count	\$ 196	\$ 202	\$ 228
Shelter Services			
Total Shelter Costs	\$ 38,771	\$ 40,225	\$ 45,050
Animal Charge Days	752	726	753
Cost per Animal Charge Day	\$ 51.56	\$ 55.41	\$ 59.83
Total Animals*	285	267	259
Cost per Animal	\$ 136.04	\$ 150.66	\$ 173.94
Totals All Services			
Total Cost	\$ 261,455	\$ 266,752	\$ 259,860
Total Revenue	\$ 203,568	\$ 161,204	\$ 163,608
Total Net Cost	\$ 57,887	\$ 105,548	\$ 96,252
Total Cost Per Capita	\$ 8.56	\$ 8.67	\$ 8.42
Total Revenue Per Capita	\$ 6.66	\$ 5.24	\$ 5.30
Total Net Cost Per Capita	\$ 1.89	\$ 3.43	\$ 3.12
% General Fund Subsidy	22%	40%	37%
Field Services as % of Total Cost	85%	85%	83%
Sheltering as % of Total Cost	15%	15%	17%
<i>*Data based on calendar year</i>			

Findings from Table 1

- Field services, not shelter services, is the primary cost center in providing animal care services ranging from 83-85% of the City's total cost.
- In 2014, a total of 259 animals were impounded at the shelter from Laguna Hills. The average cost per animal was \$173.94.
- Shelter expenses are relatively small averaging \$41,348 annually over the last three fiscal years.
- Total cost for all services has remained relatively stable over the past 3 years.
- The higher revenue figure in 2012-13 was the result of special canvassing efforts.

At the last City Council meeting, statements were made during public comments that the City was paying more for animal care services with the County than what Mission Viejo spends on animal care. Table 2 below shows actual operating expenditures and revenues for 2014-15 and budgeted operating expenditures and revenues for Mission Viejo, Laguna Niguel, and Aliso Viejo. It should be noted that the expenditures do not include capital expenditures where the expenditures in Table 1 do. For example, when Aliso Viejo started contracting with Mission Viejo, the shelter needed to provide additional capacity for cats. The total cost of the cattery expansion was \$538,000. The cost was allocated amongst the three cities. Aliso Viejo's proportionate share was \$199,000. Vehicle replacements are also considered a capital expenditure. Even without including capital costs, the Mission Viejo Animal Services operation is more expensive than the County.

Table 2

Mission Viejo Animal Care	2014-15 Actuals	FY 15-16 Budget
Budgeted Operating Expenditures	\$ 1,914,948	\$ 2,060,883
Total Revenue	\$ 794,230	\$ 774,600
Total Net Cost	\$ 1,120,718	\$ 1,286,283
Total Cost Per Capita	\$ 9.13	\$ 9.74
Total Revenue Per Capita	\$ 3.79	\$ 3.66
Total Net Cost Per Capita	\$ 5.34	\$ 6.08
% General Fund Subsidy	59%	62%

Additionally, the City of Mission Viejo does not indemnify and defend its contract cities as the County does. This added expense is not included in the budget in Table 2. When comparing cost figures in Table 1 with Table 2, it should be noted that any new shelter construction costs allocated to Laguna Hills and discussed below would be an additional expense to the City.

Section 4: External Reports on OC Animal Care

Over the past year, there have been three separate external reports issued on various aspects of OC Animal Care.

- Performance Audit of Orange County Animal Care (March 24, 2015) by the Office of the Performance Audit Director, County of Orange, California. (See Exhibit E.)
- 2014-15 Grand Jury Report: “The Orange County Animal Shelter: The Facility, The Function, The Future” (May 21, 2015).
- 2014-15 Grand Jury Report: “If Animals Could Talk About the Orange County Animal Shelter” (June 17, 2015).

The Performance Audit contains 34 recommendations and concluded that OC Animal Care has done a reasonable job coping with financial and operational constraints. The 34 recommendations and management responses thereto can be found in Appendix A of Exhibit E.

As required by State law, the County prepared responses to the findings and recommendations contained in the two Grand Jury reports. These responses can be found in Exhibits F and G. Although the responses are labeled “draft,” these are the final responses that were approved by the Board of Supervisors.

While the findings and recommendations in all three reports cover a wide range of issues, all three point to the immediate need of replacing the current shelter with a new state-of-the-art facility.

Section 5: OC Animal Care Shelter Update

Over the course of this past summer, and in response to the three reports mentioned above, the County of Orange has made significant progress toward the construction of a new shelter at the former Tustin Marine Corps Air Base. The project has been stalled over the years by the complicated and cumbersome base reuse process. The problem centered on property that the County has an agreement to swap with the South Orange County Community College District (SOCCCD). The County and SOCCCD are currently negotiating a deal where the County will gain control of SOCCCD’s property (the designated shelter site) prior to gaining fee ownership of the property to be transferred to SOCCCD. This transaction would not require any additional approvals by the Department of the Navy. If approved by both parties, the County will acquire SOCCCD’s property by the end of the year. In the meantime, the County has issued a Request for Qualifications for a Design-Build contract for the new shelter. Attached to this report as Exhibit H is the latest project schedule for the new shelter. It shows groundbreaking on June 6, 2016, and a Grand Opening on September 2, 2017.

This expedited new shelter schedule, while promising and long-awaited, presents some challenges and will force some decisions on the City. With the design phase beginning this coming April, the County will need to know what cities are in and what cities are out by about April 1, 2016. If cities do not commit by that date, based on the schedule in Exhibit H, they may have to secure alternative animal care services delivery by July 2017. The commitment the County will be seeking includes a financial contribution to the shelter's construction costs and a long-term contract, likely ten years.

The County has provided current contract cities with a range of possible shelter cost allocations based on project costs of \$20M, \$25M, and \$30M. For Laguna Hills, this would mean a contribution of \$249,000 if \$20M, \$332,000 if \$25M, and \$415,000 if \$30M. Based on recently constructed shelters, the actual cost is likely to fall between \$20M and \$25M. The actual numbers will vary based on the total cost of the project, the number of cities that commit, and the ultimate proportionate allocation formula negotiated between the County and the Contract Cities. The actual allocation for each city will not be available until after the first of the year.

Section 6: Alternative Animal Care Service Delivery Options

Since March of 2008, it has been the policy directive of the City Council to work with the County to construct a new County Shelter. Staff has consistently pursued this objective and it now appears to be at hand. Even so, the City Council has a short window to reconsider this policy objective. Given the expedited schedule for the new shelter, the County has made it clear that if cities want to explore other options, time is of the essence. Recently, there have been some discussions about the cities of Lake Forest, Rancho Santa Margarita, San Juan Capistrano, and Laguna Hills forming a partnership to construct a new shelter and provide animal care services. To date, no city has formally endorsed this concept and no shelter site has been identified. With the need to be able to provide alternate animal care services by July 2017, the only other possible option available to Laguna Hills would be to contract with existing local city shelters in Irvine, Laguna Beach, Mission Viejo, or Dana Point/San Clemente.

In 2005, the City received a proposal from the City of Mission Viejo to provide animal care services. That proposal was ultimately rejected based on higher costs and concerns over liability, cost containment, and revenue generation. In more recent years, all four shelters have expressed no interest in contracting with Laguna Hills. As recently as February 2013, the City Council formally authorized a group of residents to reach out to all four cities to determine if there was any interest. Attached to this report as Exhibit I are letters sent from the City Manager to the City Managers of Irvine, Mission Viejo, Laguna Beach, San Clemente, and Dana Point. The purpose of the letter was to inform them of the City's interest and requesting their cooperation with the group of residents. Although the City never received a final report from the group, they reportedly encountered the same response from these other service providers that there wasn't an interest or they didn't have the capacity to serve Laguna Hills. Given this history, staff is recommending

that the City Council stay the course with respect to working with the County to construct the new shelter.

FISCAL IMPACT:

There is no fiscal impact associated with staff's recommendation. There will be a fiscal impact associated with the construction of the new County shelter. That impact will be identified and presented to the City Council early next year.

ATTACHMENTS:

1. Exhibit A – OC Animal Care Impound Summary for 2014
2. Exhibit B – Laguna Hills Impound Summary for 2014
3. Exhibit C – Cat and Dog Intake Analysis and Comparisons
4. Exhibit D – Laguna Hills Field Operations Statistics for 2014
5. Exhibit E – Performance Audit of Orange County Animal Care (March 24, 2015)
6. Exhibit F – County Response to Grand Jury Report, "The Orange County Animal Shelter: The Facility, The Function, The Future"
7. Exhibit G – County Response to Grand Jury Report, "If Animals Could Talk About the Orange County Animal Shelter"
8. Exhibit H – New Shelter Project Schedule
9. Exhibit I – Letters to cities dated February 25, 2013

EXHIBIT A

OC Animal Care Impound Summary 2014



OC Animal Care Impound Summary

3/5/2015

11:50:37AM

Between 1/1/2014 and 12/31/2014
All Cities and Unincorporated Areas Served by
OC Animal Care

Intake with Outcome Summary by Animal Type

Outcome	CAT	DOG	RABBIT	OTHER	Total
ADOPTION	2,007 16%	5,273 44%	348 52%	320 5%	7,948 25%
FERAL FREE SNR	1,705 13%	0 0%	0 0%	0 0%	1,705 5%
OTHER TRANSFER (RESCUE, VET, ANIMAL CONTROL)	493 4%	288 2%	67 10%	1,101 18%	1,949 6%
RETURNED TO OWNER	170 1%	2,803 23%	1 0%	60 1%	3,034 10%
TAKE ME HOME PROGRAM	0 0%	75 1%	0 0%	0 0%	75 0%
RETURN TO WILD	0 0%	0 0%	1 0%	302 5%	303 1%
FOSTER	494 4%	89 1%	1 0%	0 0%	584 2%
EUTHANIZED	5,581 44%	1,040 9%	97 14%	1,414 23%	8,132 26%
OWNER REQUESTED EUTHANASIA**	382 3%	1,444 12%	12 2%	11 0%	1,849 6%
DECEASED ANIMAL IMPOUND	1,627 13%	925 8%	116 17%	2,809 45%	5,477 17%
OUTCOME PENDING	0 0%	5 0%	0 0%	0 0%	5 0%
OTHER*	181 1%	45 0%	27 4%	213 3%	466 1%
Total	12,640 100%	11,987 100%	670 100%	6,230 100%	31,527 100%

*Examples of "OTHER" outcomes include MISSING, ESCAPED

**Animals must either have a history of aggression or be irremediably suffering to be considered for Owner Requested Euthanasia

**Outcomes Based on Stray Animals Impounded
With (STRAY OWN) and Without (STRAY) Owner Information**

***This Report excludes all other intake types, (i.e. Quarantine,
Owner Surrender, Confiscate, Return, Foster)**

Intake	Outcome	CAT	DOG	RABBIT	OTHER	Total
STRAY	RETURNED TO OWNER	79 1%	1,297 21%	1 0%	8 1%	1,385 9%
	TAKE ME HOME PROGRAM	0 0%	23 0%	0 0%	0 0%	23 0%
	ADOPTION	1,151 13%	3,762 62%	250 69%	183 28%	5,346 33%
	EUTHANIZED	5,083 56%	695 11%	55 15%	223 34%	6,056 38%
	FOSTER	423 5%	62 1%	0 0%	0 0%	485 3%
	FERAL FREE SNR	1,689 19%	0 0%	0 0%	0 0%	1,689 10%
	OTHER TRANSFER (RESCUE, VET, ANIMAL)	462 5%	189 3%	41 11%	162 25%	854 5%
	OTHER*	154 2%	33 1%	16 4%	72 11%	275 2%
	Total	9,041 100%	6,061 100%	363 100%	648 100%	16,113 100%
STRAY OWNED**	RETURNED TO OWNER	46 27%	958 70%	0 0%	28 60%	1,032 65%
	TAKE ME HOME PROGRAM	0 0%	50 4%	0 0%	0 0%	50 3%
	ADOPTION	37 22%	272 20%	0 0%	9 19%	318 20%
	EUTHANIZED	52 30%	56 4%	0 0%	3 6%	111 7%
	FOSTER	4 2%	0 0%	0 0%	0 0%	4 0%
	FERAL FREE SNR	14 8%	0 0%	0 0%	0 0%	14 1%
	OTHER TRANSFER (RESCUE, VET, ANIMAL)	0 0%	24 2%	0 0%	2 4%	26 2%
	OTHER*	18 11%	6 0%	0 0%	5 11%	29 2%
	Total	171 100%	1,366 100%	0 0%	47 100%	1,584 100%
Total		9,212 100%	7,427 100%	363 100%	695 100%	17,697 100%

*Examples of "OTHER" outcomes include, DIED, ESCAPED, RETURN TO WILD

**STRAY OWNED animals are impounded with owner information, which includes: License Tag, Microchip and/or Name Tag with Owner Data

*Live Release Rates	CAT	DOG	RABBIT	OTHER	Total
LIVE RELEASE	4,869 44%	8,453 76%	418 75%	1,783 52%	15,523 60%
OWNER REQUESTED EUTHANASIA**	382 3%	1,444 13%	12 2%	11 0%	1,849 7%
ANIMAL EUTHANIZED OR DIED	5,659 51%	1,063 10%	121 22%	1,600 47%	8,443 32%
OUTCOME PENDING	0 0%	5 0%	0 0%	0 0%	5 0%
OTHER	103 1%	97 1%	3 1%	27 1%	230 1%
Total	11,013 100%	11,062 100%	554 100%	3,421 100%	26,050 100%

*Examples of "LIVE RELEASE" outcomes include, ADOPTION, RETURNED TO OWNER, TRANSFER

Euthanasia by Reason	CAT	DOG	RABBIT	OTHER	Total
BEHAVIOR	331 6%	733 30%	2 2%	116 8%	1,182 12%
LOC-OC	20 0%	0 0%	0 0%	0 0%	20 0%
MEDICAL	1,731 29%	357 14%	76 70%	953 67%	3,117 31%
OWNER REQUESTED EUTHANASIA*	399 7%	1,373 55%	12 11%	12 1%	1,796 18%
TIME	2 0%	8 0%	0 0%	6 0%	16 0%
TNR INELIGIBLE**	352 6%	0 0%	0 0%	0 0%	352 4%
TOO YOUNG	3,128 52%	13 1%	19 17%	338 24%	3,498 35%
Total	5,963 100%	2,484 100%	109 100%	1,425 100%	9,981 100%

*Animals must either have a history of aggression or be irremediably suffering to be considered for Owner Requested Euthanasia

EXHIBIT B

Laguna Hills Impound Summary 2014



OC Animal Care Impound Summary

3/5/2015

12:01:33PM

Between 1/1/2014 and 12/31/2014

For the City of Laguna Hills

Intake with Outcome Summary by Animal Type

Outcome	CAT	DOG	RABBIT	OTHER	Total
ADOPTION	18 27%	32 33%	2 15%	3 4%	55 21%
FERAL FREE SNR	1 2%	0 0%	0 0%	0 0%	1 0%
OTHER TRANSFER (RESCUE, VET, ANIMAL CONTROL)	0 0%	0 0%	0 0%	8 10%	8 3%
RETURNED TO OWNER	2 3%	30 31%	0 0%	0 0%	32 12%
TAKE ME HOME PROGRAM	0 0%	1 1%	0 0%	0 0%	1 0%
RETURN TO WILD	0 0%	0 0%	0 0%	6 7%	6 2%
FOSTER	5 8%	0 0%	0 0%	0 0%	5 2%
EUTHANIZED	27 41%	4 4%	4 31%	21 25%	56 22%
OWNER REQUESTED EUTHANASIA**	4 6%	23 24%	0 0%	1 1%	28 11%
DECEASED ANIMAL IMPOUND	6 9%	7 7%	7 54%	38 46%	58 22%
OTHER*	3 5%	0 0%	0 0%	6 7%	9 3%
Total	66 100%	97 100%	13 100%	83 100%	259 100%

*Examples of "OTHER" outcomes include MISSING, ESCAPED

**Animals must either have a history of aggression or be irremediably suffering to be considered for Owner Requested Euthanasia

**Outcomes Based on Stray Animals Impounded
With (STRAY OWN) and Without (STRAY) Owner Information
*This Report excludes all other intake types, (i.e. Quarantine,
Owner Surrender, Confiscate, Return, Foster)**

Intake	Outcome	CAT	DOG	RABBIT	OTHER	Total
STRAY	RETURNED TO OWNER	0 0%	9 33%	0 0%	0 0%	9 13%
	TAKE ME HOME PROGRAM	0 0%	1 4%	0 0%	0 0%	1 1%
	ADOPTION	7 18%	15 56%	2 100%	1 33%	25 35%
	EUTHANIZED	24 60%	2 7%	0 0%	1 33%	27 38%
	FOSTER	5 13%	0 0%	0 0%	0 0%	5 7%
	FERAL FREE SNR	1 3%	0 0%	0 0%	0 0%	1 1%
	OTHER*	3 8%	0 0%	0 0%	1 33%	4 6%
	Total	40 100%	27 100%	2 100%	3 100%	72 100%
STRAY OWNED**	RETURNED TO OWNER	1 100%	7 58%	0 0%	0 0%	8 53%
	ADOPTION	0 0%	5 42%	0 0%	1 50%	6 40%
	EUTHANIZED	0 0%	0 0%	0 0%	1 50%	1 7%
	Total	1 100%	12 100%	0 0%	2 100%	15 100%
Total		41 100%	39 100%	2 100%	5 100%	87 100%

*Examples of "OTHER" outcomes include, DIED, ESCAPED, RETURN TO WILD

**STRAY OWNED animals are impounded with owner information, which includes: License Tag, Microchip and/or Name Tag with Owner Data

<i>*Live Release Rates</i>	CAT	DOG	RABBIT	OTHER	Total
LIVE RELEASE	26 43%	62 69%	2 33%	17 38%	107 53%
OWNER REQUESTED EUTHANASIA**	4 7%	23 26%	0 0%	1 2%	28 14%
ANIMAL EUTHANIZED OR DIED	30 50%	4 4%	4 67%	26 58%	64 32%
OTHER	0 0%	1 1%	0 0%	1 2%	2 1%
Total	60 100%	90 100%	6 100%	45 100%	201 100%

*Examples of "LIVE RELEASE" outcomes include, ADOPTION, RETURNED TO OWNER, TRANSFER

<i>Euthanasia by Reason</i>	CAT	DOG	RABBIT	OTHER	Total
BEHAVIOR	0 0%	5 19%	0 0%	2 9%	7 8%
MEDICAL	15 48%	1 4%	2 50%	17 77%	35 42%
OWNER REQUESTED EUTHANASIA*	4 13%	21 78%	0 0%	1 5%	26 31%
TNR INELIGIBLE**	1 3%	0 0%	0 0%	0 0%	1 1%
TOO YOUNG	11 35%	0 0%	2 50%	2 9%	15 18%
Total	31 100%	27 100%	4 100%	22 100%	84 100%

*Animals must either have a history of aggression or be irremediably suffering to be considered for Owner Requested Euthanasia

EXHIBIT C

Cat and Dog Intake Analysis and Comparisons

Summary of Cat Intake

Agency	Sum of 2012 ¹	Per 1,000 Residents 2012 ²	Sum of 2013 ³	Per 1,000 Residents 2013 ²	Sum of 2014 ³	Per 1,000 Residents 2014 ²
Brea	91	2.23	80	1.93	99	2.34
Cypress	168	3.48	175	3.60	223	4.56
Fountain Valley	195	3.49	166	2.95	220	3.88
Laguna Hills	60	1.96	56	1.82	56	1.82
Lake Forest	223	2.85	144	1.83	103	1.30
Placentia	141	2.76	150	2.89	130	2.50
Rancho Santa Margarita	41	0.85	27	0.56	41	0.84
San Juan Capistrano	39	1.11	58	1.64	19	0.53
Tustin	277	3.62	253	3.24	239	3.05
Yorba Linda	113	1.72	139	2.09	108	1.61
OC Animal Care ⁴	11,706	5.82	11,351	5.60	10,631	5.21

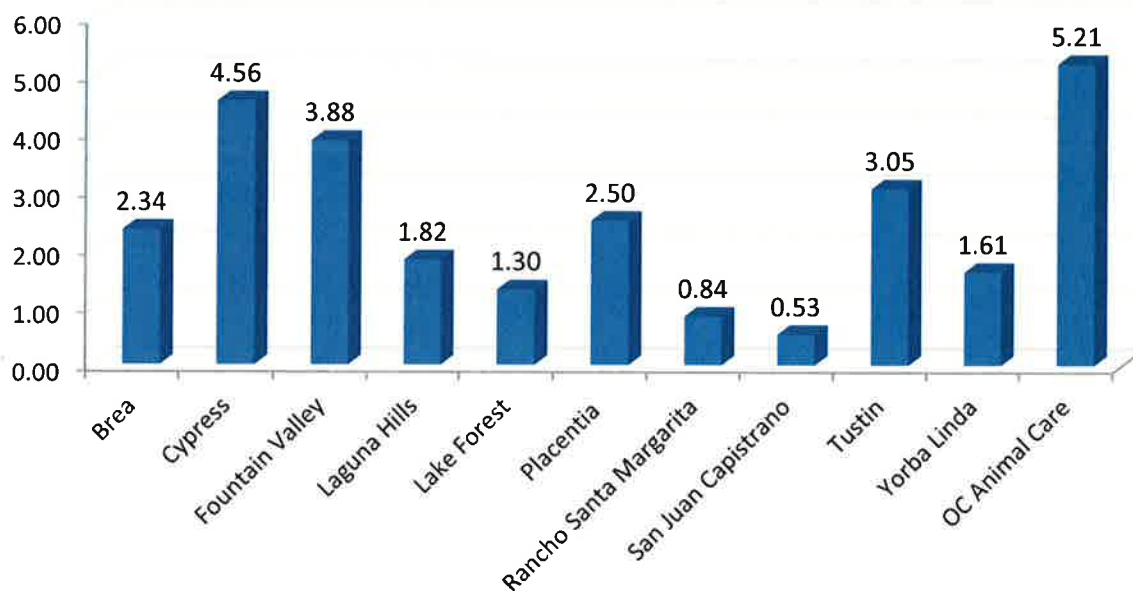
¹ Sum excludes owner requested euthanasia.

² Population data obtained from the California Department of Finance Table 2: E-4 Population Estimates for Cities, Counties, and State 2011-2015 with 2010 Census Benchmark.

³ Sum excludes owner requested euthanasia and deceased animal impound.

⁴ Includes all OCAC contract cities and unincorporated areas.

Summary of Cat Intake Per 1,000 Residents 2014



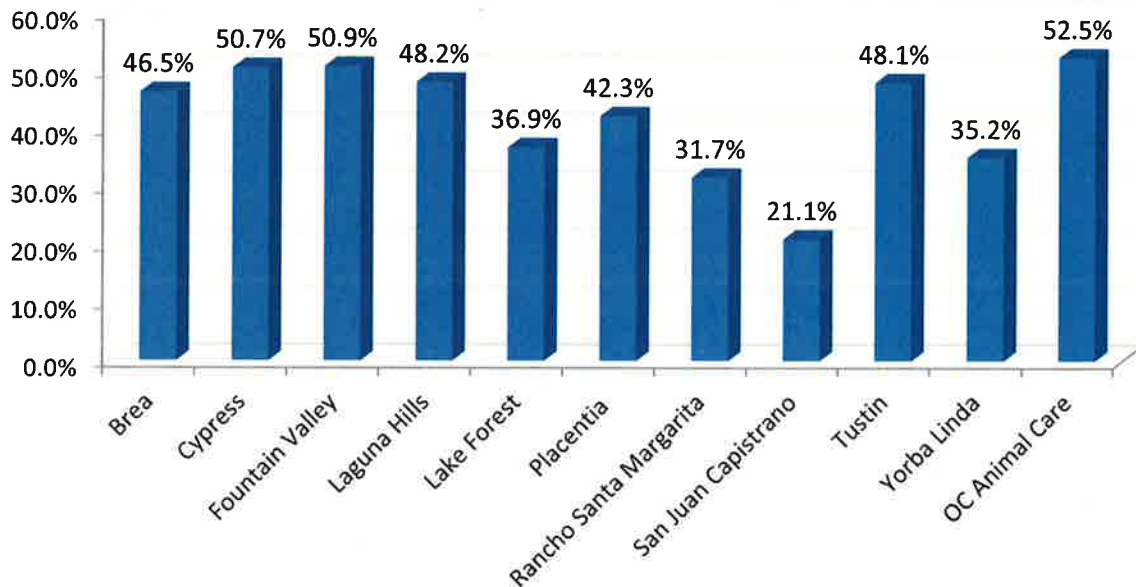
Summary of Cat Euthanasia¹

Agency	Sum of 2012	Rate 2012	Sum of 2013	Rate 2013	Sum of 2014	Rate 2014
Brea	55	60.4%	46	57.5%	46	46.5%
Cypress	126	75.0%	111	63.4%	113	50.7%
Fountain Valley	146	74.9%	95	57.2%	112	50.9%
Laguna Hills	43	71.7%	25	44.6%	27	48.2%
Lake Forest	177	79.4%	84	58.3%	38	36.9%
Placentia	102	72.3%	76	50.7%	55	42.3%
Rancho Santa Margarita	24	58.5%	13	48.1%	13	31.7%
San Juan Capistrano	15	38.5%	8	13.8%	4	21.1%
Tustin	191	69.0%	148	58.5%	115	48.1%
Yorba Linda	78	69.0%	76	54.7%	38	35.2%
OC Animal Care ²	8,944	76.4%	6,886	60.7%	5,581	52.5%

¹ Sum excludes owner requested euthanasia.

² Includes all OCAC contract cities and unincorporated areas.

Summary of Cat Euthanasia Rate 2014



Summary of Dog Intake

Agency	Sum of 2012 ¹	Per 1,000 Residents 2012 ²	Sum of 2013 ³	Per 1,000 Residents 2013 ²	Sum of 2014 ³	Per 1,000 Residents 2014 ²
Brea	182	4.46	136	3.29	120	2.83
Cypress	183	3.79	169	3.47	177	3.62
Fountain Valley	302	5.41	279	4.96	199	3.51
Laguna Hills	125	4.09	72	2.34	67	2.17
Lake Forest	198	2.53	213	2.70	163	2.06
Placentia	246	4.81	193	3.72	207	3.97
Rancho Santa Margarita	76	1.57	62	1.27	82	1.68
San Juan Capistrano	122	3.48	99	2.80	103	2.87
Tustin	269	3.51	278	3.56	283	3.61
Yorba Linda	190	2.89	198	2.97	150	2.24
OC Animal Care ⁴	12,060	6.00	11,044	5.45	9,618	4.72

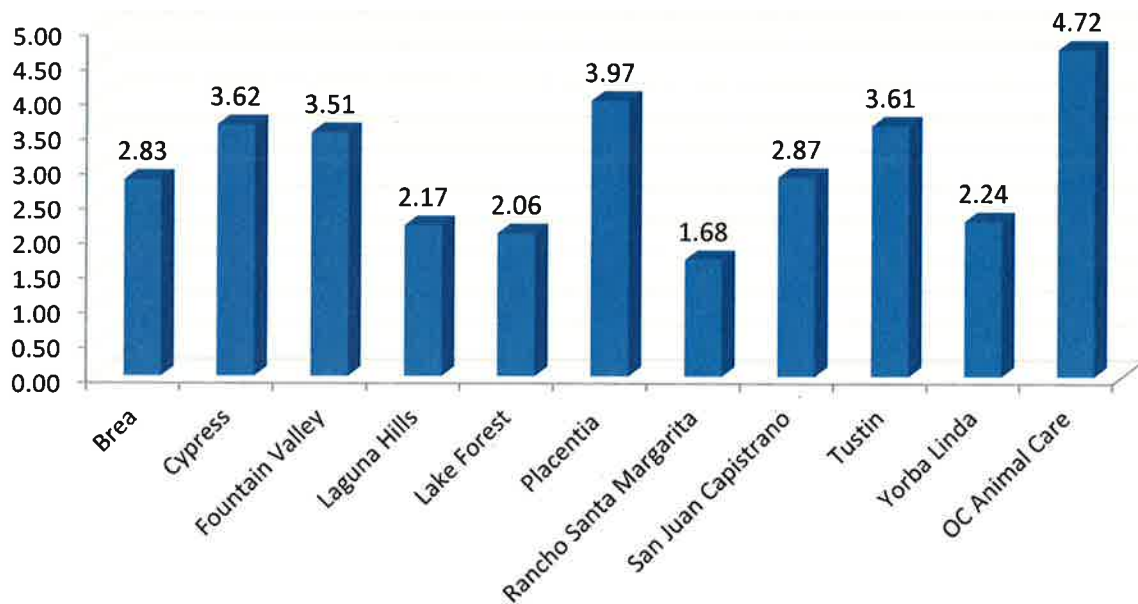
¹ Sum excludes owner requested euthanasia.

² Population data obtained from the California Department of Finance Table 2: E-4 Population Estimates for Cities, Counties, and State 2011-2015 with 2010 Census Benchmark.

³ Sum excludes owner requested euthanasia and deceased animal impound.

⁴ Includes all OCAC contract cities and unincorporated areas.

Summary of Dog Intake Per 1,000 Residents - 2014



Summary of Dog Euthanasia¹

Agency	Sum of 2012	Rate 2012	Sum of 2013	Rate 2013	Sum of 2014	Rate 2014
Brea	35	19.2%	16	11.8%	15	12.5%
Cypress	37	20.2%	27	16.0%	10	5.6%
Fountain Valley	59	19.5%	19	6.8%	22	11.1%
Laguna Hills	15	12.0%	8	11.1%	4	6.0%
Lake Forest	23	11.6%	23	10.8%	15	9.2%
Placentia	46	18.7%	19	9.8%	16	7.7%
Rancho Santa Margarita	9	11.8%	4	6.5%	10	12.2%
San Juan Capistrano	22	18.0%	5	5.1%	5	4.9%
Tustin	41	15.2%	29	10.4%	20	7.1%
Yorba Linda	22	11.6%	15	7.6%	8	5.3%
OC Animal Care ²	2,628	21.8%	1,353	12.3%	1,040	10.8%

¹ Sum excludes owner requested euthanasia.

² Includes all OCAC contract cities and unincorporated areas.

Summary of Dog Euthanasia Rate 2014

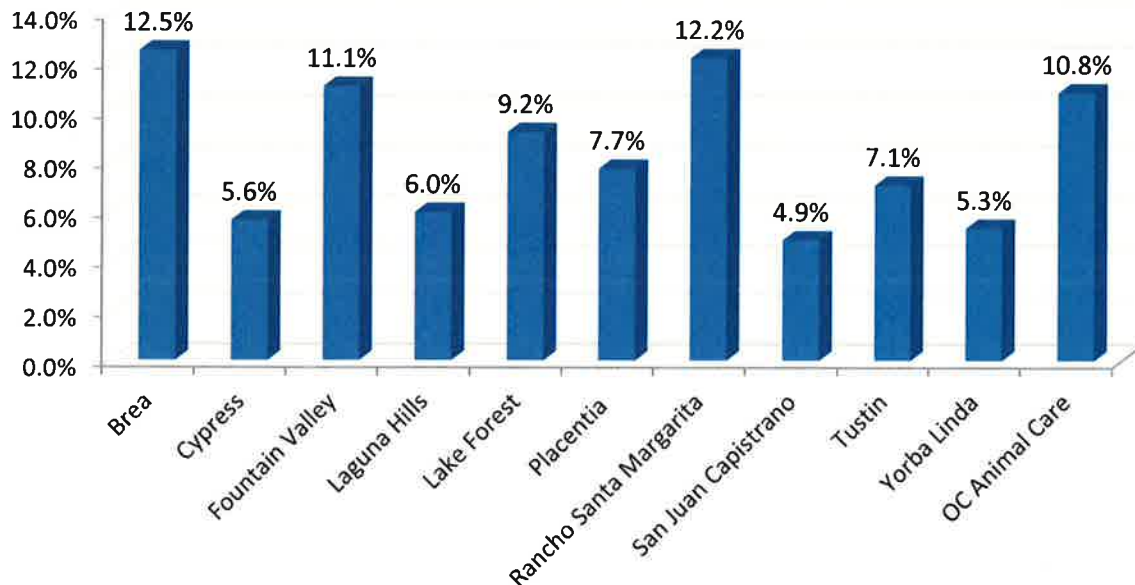


EXHIBIT D

Laguna Hills Field Operations Statistics 2014



OC Animal Care Field Operation Statistics
 Between 1/1/2014 and 12/31/2014
 For the City of Laguna Hills

<i>Field Actions</i>	For the City of Laguna Hills	Total
AGENCY REQUEST FOR ASSISTANCE (POLICE, FIRE, ETC)	8	8
ANIMAL NOISE COMPLAINT	5	5
ANIMAL RESCUE	5	5
BARKING DOG COMPLAINT	30	30
BITE INVESTIGATION	148	148
COMPLIANCE CHECK (VICIOUS DOGS)	3	3
CRUELTY INVESTIGATION ACTIONS	61	61
DEAD ANIMAL PICK UP	91	91
DELIVERY OF VICIOUS ANIMAL DECLARATION	7	7
DOG VS DOG INVESTIGATION	68	68
INVESTIGATE LICENSE	46	46
INVESTIGATE TETHER	3	3
OTHER INVESTIGATION	19	19
OWNER SURRENDER	3	3
PUBLIC REQUEST FOR ASSISTANCE	27	27
REQUEST OTHER ASSISTANCE	2	2
RTO OVER THE PHONE	3	3
SICK OR INJURED ANIMAL TRANSPORT	36	36
STRAY AT LARGE	247	247
VICIOUS ANIMAL INVESTIGATION ACTIONS	32	32
WILD ANIMAL	80	80
Total	924	924

*Examples of "OTHER" field activities include EXTRA SERVICE

<i>Business Licensing Actions</i>	For the City of Laguna Hills	Total
ANIMAL FACILITY BUSINESS*	13	13
COMMERCIAL STABLES	4	4
RESCUE ORGANIZATION INSPECTIONS	3	3
RESIDENTIAL ANIMAL PERMIT	27	27
Total	47	47

*Animal Facility Businesses include Animal Exhibitions, Animal Rentals, Aviaries, Circuses, Grooming Parlors, Kennels, Pet Shops, Rodeos.

EXHIBIT E

Performance Audit of Orange County Animal Care
(March 24, 2015)



Performance Audit of Orange County Animal Care

Final Report (#141505)

March 24, 2015

Office of the Performance Audit Director

County of Orange, California

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Office of the Performance Audit Director

333 W. Santa Ana Blvd., Santa Ana, CA 92701

March 24, 2015

Honorable Board of Supervisors:

Transmitted herewith is the performance audit report of Orange County Animal Care (OCAC). The main objective of this audit was to evaluate the operational performance of OCAC to determine whether management and staff are effective and efficient in accomplishing their business objectives.

Brian Rayburn, the lead auditor of this project, has spent several months reviewing policies and procedures, interviewing staff, analyzing data, and benchmarking and researching best practices to identify improvement opportunities for OCAC.

This audit report contains 34 audit recommendations that will enable OCAC to increase its operational efficiency and effectiveness by improving operating practices, restructuring its organization, and improving utilization of technology.

We would like to acknowledge and thank OCAC management and staff for their cooperation and assistance during this audit.

Respectfully submitted,

A handwritten signature in cursive script that reads "Philip Cheng".

Philip Cheng
Performance Audit Director

cc: Michael B. Giancola, County Executive Officer
Mark Denny, Chief Operating Officer
Steve Franks, Director of OC Community Resources
Dr. Jennifer Hawkins, Interim Director of OC Animal Care and Chief of Veterinary Services

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I. Executive Summary

The Office of the Performance Audit Director has completed an audit of Orange County Animal Care (OCAC). The Board of Supervisors directed the Office of the Performance Audit Director to conduct this audit at its Board Meeting on June 10, 2014. The main objective of this audit was to evaluate the operational performance of OCAC to determine whether management and staff are effective and efficient in accomplishing their business objectives.

For years, OC Animal Care has been impacted by increasing demand for animal control and shelter services with limited resources, caused mainly by population growth within the County, an aging shelter, and vacant positions due to financial constraints of the County as well as Contract Cities. With dedicated employees and volunteers, OCAC has done a reasonable job coping with these financial and operational constraints, but more can be done.

The audit team conducted a detailed review and analysis of OCAC's operations, including the following audit procedures:

- Reviewed OCAC policies, procedures, and plans;
- Interviewed OCAC staff, supervisors, and managers;
- Conducted a survey of OCAC staff;
- Participated in Field Staff Ride-alongs; and
- Collected and analyzed financial and performance data.

This audit report contains 34 recommendations that will enhance OCAC's operational effectiveness and efficiency by improving operating practices, restructuring OCAC's organization, and improving utilization of technology. These recommendations include:

- Establishing scheduled visiting hours at the Shelter;
- Improving efficiency of the Canvassing Group;
- Developing new revenue opportunities;
- Enhancing the Volunteer Program; and
- Increasing training and development opportunities for staff.

The complete list of audit recommendations, as well as management responses thereto, can be found in Appendix A of this report.

The audit team would like to thank OCAC management and staff for their cooperation throughout this process.

II. Introduction

A. Audit Objectives

The main objective of this audit was to evaluate the operational performance of Orange County Animal Care (OCAC) to determine whether management and staff are effective and efficient in accomplishing their business objectives.

B. Scope of Work

The scope of this audit included the key activities of OCAC. OCAC is a division within Orange County Community Resources (OCCR) that provides services to 18 contract cities ("Contract Cities"), as well as the unincorporated areas of Orange County. Specific attention was given to OCAC's finances including the collection, accounting, and use of revenue.

Our overall focus was to determine whether existing policies and practices allow OCAC to effectively and efficiently meet its stated mission:

Protect the public against health threats, provide refuge, medical care, and a second chance to homeless, unwanted, and abused pets, and protect animal rights of humane treatment.

C. Audit Methodology

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that auditors plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on audit objectives. The audit team believes the evidence obtained in this audit provides a reasonable basis for its findings and conclusions.

To achieve the audit objectives, the audit team performed the following audit procedures:

- Reviewed OCAC policies, procedures, and plans;
- Interviewed OCAC staff, supervisors, and managers;
- Conducted a survey of OCAC staff;
- Participated in Field Staff Ride-alongs; and
- Collected and analyzed financial and performance data.

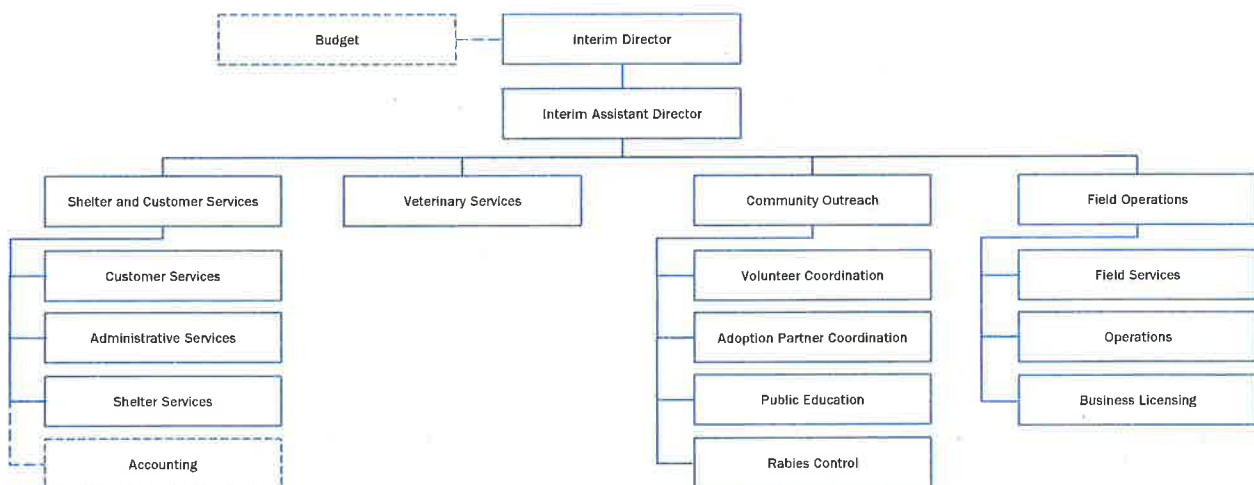
III. Background

OCAC is a division within OC Community Resources (OCCR) that provides services for 18 contract cities ("Contract Cities"), as well as the unincorporated areas of Orange County.¹ These services are funded through two primary sources: (1) user fees related to licenses, adoptions, and other services; and (2) direct "general fund" contributions from Contract Cities and the County.

For FY 2014, OCAC had 139 positions and total expenses of \$17.1 million. OCAC's staff is organized into four main groups: (1) Shelter & Customer Services, (2) Community Outreach, (3) Field Operations, and (4) Veterinary Services.

A. Overview of Operations

Below is a high-level organizational chart for OCAC as of December 2014.



1. OCAC Management

OCAC Administration is currently made up of the following positions:

- Director (Interim)
- Assistant Director (Interim)

¹ A complete list of all animal shelters within Orange County and the communities that they serve can be found in Appendix B.

This group is responsible for general oversight of all OCAC operations. The Director serves as OCAC's primary liaison with each of the Contract Cities as well as the public. Subsequent to the start of this audit, the Director took another job outside the County. In November 2014, an Interim Director and an Interim Assistant Director were appointed by the Director of OCCR to provide leadership to OCAC.

2. Shelter and Customer Services

Shelter and Customer Services consists of the following units: Customer Services, Administrative Services, and Shelter Services.

Customer Services. This unit includes the Call Center and Licensing groups. For further discussion of OCAC's licensing activities, please see Section IV.D. Licensing.

Administrative Services. This unit includes the Canvassing program, which is discussed in detail in Section IV.C. Canvassing

Shelter Services. This unit coordinates all activities within the Shelter, including the care and feeding of animals that are housed at the Shelter. With respect to sheltering of animals the primary law governing OCAC is called the Hayden Act, which was passed by the California State Legislature and sets the baseline for how animals are to be treated in the State.² The Shelter and related operations are discussed in Section IV.A Shelter.

Accounting. This is an Auditor-Controller Satellite Team that reports directly to OCCR, but is out-stationed at OCAC.

3. Community Outreach

Community Outreach Team consists of the Volunteer Coordinator, Adoption Partner Coordinator, Public Education Officer, and the Rabies Control group.

Volunteer Coordinator. This position is responsible for coordinating OCAC's Volunteer Program, which is discussed in detail in Section IV.H. Volunteer Services.

Adoption Partner Coordinator. This position is responsible for working with 150-200 non-profit Adoption Partners (Rescue Groups).

² The Hayden Act states, "it is the policy of the state that no adoptable animal should be euthanized if it can be adopted into a suitable home" and "it is the policy of the state that no treatable animal should be euthanized." OCAC maintains detailed policies and procedures that govern all aspects of OCAC operations, including euthanasia.

Public Education Officer. This position is responsible for coordinating OCAC's education programs.

Rabies Control. This unit coordinates State required rabies control on behalf of all County residents.

4. Field Operations

Field Operations consists of the Field Services & Operations unit and the Business Licensing unit.

Field Services & Operations. This unit is responsible for all field activities and is discussed in significant detail in Section IV.B. Field Services. In addition to handling daily field operations, this group manages various programs on behalf of OCAC including Vicious Dog, Fleet Management, and the Call Center.

Business Licensing. The Business Licensing unit is responsible for annually inspecting all animal related businesses (pet shops, rescues, etc.) that operate within the County.

5. Veterinary Services

Subsequent to the start of this Audit, OCAC created the Chief of Veterinary Services position. This position reports to the Director of OCAC and is responsible for all aspects of day-to-day veterinary services operations, including the management of Veterinary Services staff. The reporting relationship of this newly created position is discussed in Section IV.A.4 Medical Oversight. In addition to county staff, OCAC utilizes contract veterinarians to help meet clinical demand.

6. Mandated and Non-Mandated Services

Most activities performed by OCAC in the areas of animal control and animal care are mandated by law. Those activities that are not explicitly mandated by law include Dead Animal Pick-up, Wildlife Response, Feral Cat Intake, Canvassing, Volunteer Coordination, Adoption Partners Coordination, and Public Education.

OC Animal Care is obligated to perform most of these "non-mandated" services per the Agreement for the Provision of OC Animal Care Services ("Agreement") that it has entered into with its contract cities. These duties include "impounding of deceased animals for disposal", "injured wildlife pick-up", "animal field canvassing to locate and license unlicensed animals", "public education", "volunteer services", and "rescue group coordination." The only non-mandated service that is not contractually obligated is Feral Cat Intake, as shown in the following table:

Mandated Services	Non-Mandated, Contract Services	Non-Mandated, Non-Contract Services
• Rabies Control • Emergency Response • Investigations • Shelter Services • Animal Licensing • Impounding and Retention of Stray Animals • Prompt Veterinary Care • Evaluation, Redemption, and Adoption of Animals • Euthanasia and Proper Disposal	• Dead Animal Pick-up • Wildlife Response • Volunteer Coordination • Rescue Group Coordination • Public Education • Canvassing	• Feral Cat Intake

While the contract requires the above-listed services (with the exception of Feral Cat Intake), it does not stipulate the level of services or the number of hours that must be dedicated to each. For example, below is the relevant contract language pertaining to the Canvassing Program:

The number of hours of canvassing provided to CITY by COUNTY will be prorated based on available canvassing hours and CITY percentage of costs of Animal Care Services received by CITY during the previous Fiscal Year. At sole discretion of COUNTY, COUNTY may provide canvassing services to cities that did not receive canvassing services in the previous Fiscal Year. COUNTY may change its methodology for allocating canvassing hours upon six (6) months prior notification to cities.

While the allocation methodology is specified (i.e., hours based on city's percentage of costs), the total number of required hours is not established. It appears that OCAC could elect to scale back its Canvassing Program without needing to seek authorization from contract cities. The Canvassing Program is discussed in greater detail in Section IV.C.

7. Animal Rescue Groups

Rescue Groups receive frequent emails from OCAC regarding animals in need of rescue. They are able to adopt animals that have been designated as part of the shelter's LIFE Program free of charge.³ Also, adoption fees are waived for dogs after 30 days and for cats after 3 days. By law, these organizations can take animals that OCAC cannot allow to be adopted by a private citizen.

Over the last three years, Rescue Groups adopted 6,552 animals from the Shelter. The total number of animals adopted by Rescue Groups increased significantly from 1,681 in FY 2012 to 2,451 in FY

³ Animals are selected for inclusion in the LIFE Program based on the following criteria: significant physical and/or medical conditions, significant behavioral issues, length of stay, and amount of medical treatment and services provided by OCAC.

2013. Between FY 2013 and FY 2014, the number of dogs adopted by Rescue Groups fell from 2,217 to 2,017, while the number of cats adopted increased from 189 to 258, as shown in the below chart.

Animals Adopted by Rescue Groups by FY

Animal Type	FY 2012	FY 2013	FY 2014	Total
Dogs	1,499	2,217	2,017	5,733
Cats	153	189	258	600
Others ⁴	29	45	145	219
Total	1,681	2,451	2,420	6,552

As shown in the table below, Rescue Groups adopted 32% (5,733) of all dogs adopted from OCAC over a 3-year period, including 29% of adopted dogs between the ages of 0 and 6 years and 64% of adopted dogs 7 years and older.

Dogs Adopted by Rescue Groups by Age

Age of Dog (Years)	Adopted	Adopted by Rescues	% Adopted by Rescues
0	3,582	568	16%
1	5,184	1,211	23%
2	3,322	1,218	37%
3	1,729	713	41%
4	965	414	43%
5	831	392	47%
6	549	251	46%
7	396	206	52%
8	468	275	59%
9	115	76	66%
10	297	222	75%
11	45	35	78%
12	94	73	78%
13	36	28	78%
14	15	12	80%
15	42	35	83%
16	3	3	100%
18	1	1	100%
Total (0-6)	16,162	4,767	29%
Total (7-18)	1,512	966	64%
Grand Total	17,674	5,733	32%

⁴ Includes lizards, birds, rabbits, and other types of animals.

The following table summarizes the top twenty breeds that were adopted by Rescue Groups between FY 2012 and FY 2014. By volume of adoptions, the top five breeds were: (1) Chihuahua, (2) Miniature Poodle, (3) Cairn Terrier, (4) Pit Bull, and (5) German Shepherd.

Animals Adopted by Rescue Groups by Breed

Breed	Adopted	Adopted by Rescues	% Adopted by Rescues
CHIHUAHUA SH	4,193	1,841	44%
POODLE MIN	1,401	489	35%
CAIRN TERRIER	1,251	364	29%
PIT BULL	1,302	283	22%
GERM SHEPHERD	752	200	27%
POMERANIAN	415	187	45%
SHIH TZU	368	146	40%
MIN PINSCHER	364	138	38%
DACHSHUND	614	137	22%
PARSON RUSS TER	429	134	31%
COCKER SPAN	460	133	29%
LHASA APSO	367	129	35%
LABRADOR RETR	700	126	18%
MALTESE	374	122	33%
YORKSHIRE TERR	296	100	34%
CHIHUAHUA LH	218	87	40%
SCHNAUZER MIN	269	86	32%
BEAGLE	206	57	28%
BOXER	255	50	20%
PEKINGESE	119	49	41%

8. Advisory Committees

There are two advisory committees that provide input/advice on various aspects of OCAC's operations: the Animal Care Community Outreach Committee (ACCOC) and the Finance/Operations Advisory Board (FOAB).

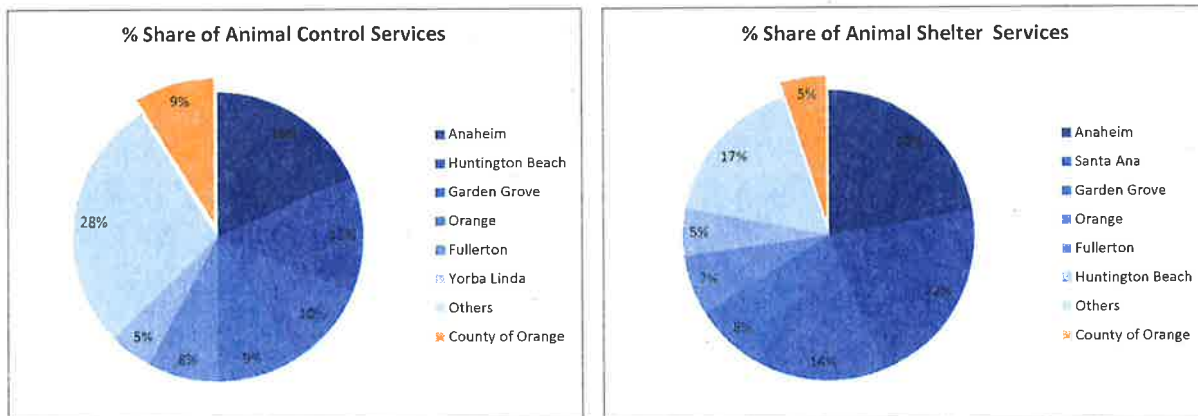
- **Animal Care Community Outreach Committee (ACCOC).** The ACCOC meets quarterly and is made up of five appointed members from each of the five supervisorial districts. The Board of Supervisors established the ACCOC in 1981 to facilitate citizen involvement in animal care and community outreach programs. The ACCOC is not required by any statute or regulation.
- **Finance/Operations Advisory Board (FOAB).** The FOAB meets monthly and is made up of seven representatives (six members appointed by the Orange County City Managers Association and one member appointed by County). The Agreements with contract cities

stipulate that the FOAB will advise the Director of OCAC on financial and operational matters and communicate with the Orange County City Managers Association. The FOAB serves in an informational/advisory capacity and does not formally approve actions.

B. Overview of Financials

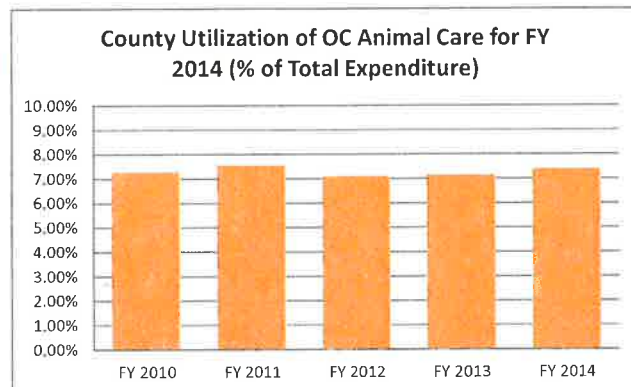
1. Utilization/Costs of OCAC Services

Below are summaries of utilization/costs before revenue offsets in FY 2014 for the County and the Contract Cities. OCAC service costs are split into two categories: Animal Control, which consists of primarily field and licensing activities; and Animal Care (or Animal Shelter), which consists of primarily shelter activities. As shown, the most significant users of Animal Control services are the cities of Anaheim, Huntington Beach, and Garden Grove; and the most significant users of Animal Shelter services are Anaheim, Santa Ana, and Garden Grove. The County's shares are 9% and 5%, respectively.



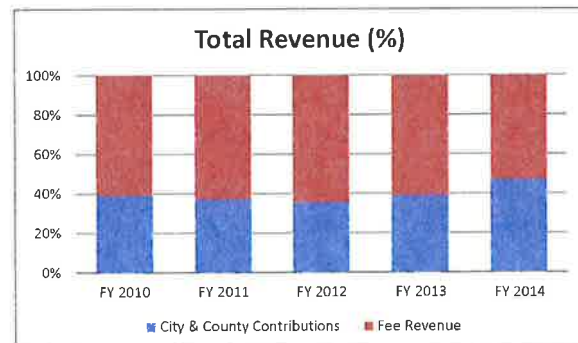
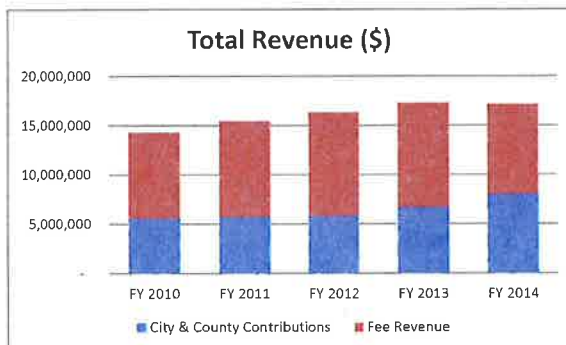
In overall utilization, the County ranked 6th, behind the cities of Anaheim, Garden Grove, Huntington Beach, Orange, and Santa Ana in FY 2014.⁵ Over the past five years, the County's relative shares of OCAC costs have stayed steady at approximately 7%.

City/County	Animal Control (\$)	Animal Shelter (\$)	Total	% of Total
Anaheim	\$1,989,252	\$1,420,657	\$3,389,909	19.8%
Garden Grove	\$1,040,664	\$897,727	\$1,938,391	11.3%
Huntington Beach	\$1,393,800	\$335,850	\$1,729,650	10.1%
Orange	\$982,240	\$515,906	\$1,498,146	8.7%
Santa Ana	-	\$1,379,154	\$1,379,154	8.0%
Orange County	\$948,785	\$320,526	\$1,269,311	7.4%
Fullerton	\$830,433	\$431,624	\$1,262,057	7.4%
Lake Forest	\$516,281	\$110,460	\$626,741	3.7%
Yorba Linda	\$518,923	\$99,606	\$618,529	3.6%
Tustin	\$375,373	\$164,732	\$540,105	3.2%
Fountain Valley	\$366,912	\$137,277	\$504,189	2.9%
Placentia	\$303,807	\$121,953	\$425,760	2.5%
Cypress	\$290,042	\$121,953	\$411,995	2.4%
Brea	\$271,891	\$67,681	\$339,572	2.0%
Rancho Santa Margarita	\$268,931	\$42,779	\$311,710	1.8%
San Juan Capistrano	\$245,588	\$51,080	\$296,668	1.7%
Stanton	\$154,090	\$117,484	\$271,574	1.6%
Laguna Hills	\$226,527	\$40,225	\$266,752	1.6%
Villa Park	\$51,244	\$8,300	\$59,544	0.3%
Total	\$10,754,783	\$6,384,974	\$17,139,757	100.0%



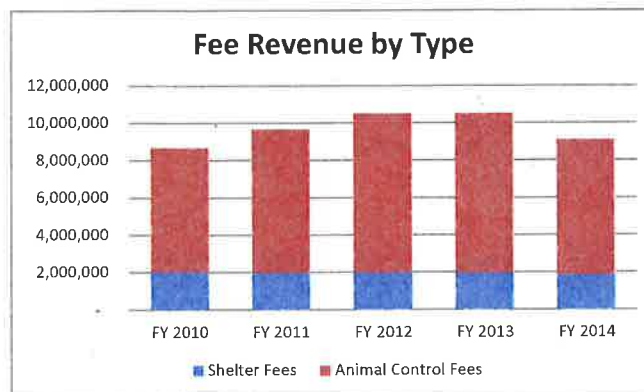
2. Revenues

OCAC's fee revenue represents approximately 60% of total expenditures, with the balance coming from general fund contributions from Contract Cities and the County.

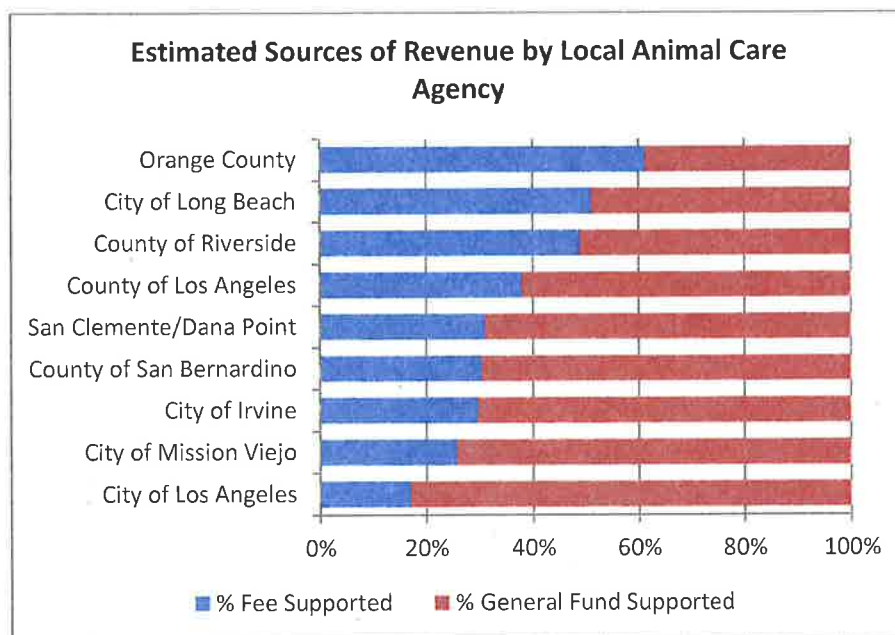


Between FY 2013 and FY 2014, there was a significant decrease in fee revenue, which required increased city and County contributions. While fees related to Shelter activities have been steady at approximately \$2 million per year, fees related to Animal Control activities have fluctuated over the past several years.

⁵ The City of Santa does not contract with OCAC for Animal Control Services.



In June 2014, the Board of Supervisors approved changes to OCAC's fee schedule. The changes were projected to increase annual fee revenue by \$804,000. As part of that process, OCAC compiled data from local animal care agencies regarding what percentage of revenue came from fees and what percentage came from general fund contributions. At approximately 60% of cost recovery, OCAC received a larger portion of its revenue from fees than all the agencies that were surveyed by OCAC.⁶



⁶ Data were compiled by OC Animal Care as part of the FY 2013 Animal Care Services Fee Study. OCAC figures are estimated for FY 2015 and include the proposed fee increase, which was ultimately approved. Additionally, data for San Clemente/Dana Point are for calendar year 2013, while data for all other agencies are for FY 2013.

3. Expenditures

Below are estimates of the total costs for each of OCAC's programs. These figures were compiled by the Auditor-Controller as part of its FY 2013 Animal Care Services Fee Study. They include direct and indirect administrative and other expenses. As shown in the left table, Field & Special Services account for more than 50% of the Animal Control Expenses. On the Animal Shelter side, Clinic Services, Daily Feed and Care, and Placement Services make up the bulk of expenses.

Estimated Operating Expenditures by Program - FY 2013

Animal Control		Animal Shelter	
Field & Special Services	\$6,112,336	Clinic Services	\$1,735,805
Animal Licensing	\$1,346,826	Daily Feed and Care	\$1,504,806
Animal Pickup	\$976,091	Placement Services	\$1,318,712
Field Canvassing	\$938,339	Canine Sterilization Program	\$713,358
Rabies Control	\$530,601	Feline Sterilization Program	\$530,026
Facility Licensing	\$468,424	Euthanasia	\$338,524
Barking Dog Program	\$435,740	Public Education	\$326,897
Public Education	\$212,792	Total	\$6,468,128
Total	\$11,021,151		

IV. Audit Results

A. Animal Shelter

OCAC maintains the Orange County Animal Shelter in the City of Orange. This facility was built in 1941 and can house over 380 dogs, 300 cats, 50 rabbits, and many other types of animals. In 2013, over 35,000 animals came through the shelter, of which 8,653 were adopted (24%), 3,470 were returned to their owners (10%), 9,822 were euthanized (28%), and 7,022 were already deceased (20%). Approximately 6,000 animals (18%) were included in other categories, such as: Transfer to Rescue, Return to Wild, and Foster. Additionally, on-site veterinarians handle over 5,000 spay/neuter surgeries per year.

1. Financing for New Shelter

Relocation of the Animal Shelter has been discussed at the County for at least the last twenty years. In 1995, the Board of Supervisors set aside \$5 million⁷ for the relocation of the Animal Shelter and

⁷ \$5 million was set aside in Agency Fund 15S and could be used "to front the funds for design" and pay the County's share of debt service and move-in costs.

the County requested land from the MCAS Tustin Local Reuse Authority for a new animal shelter. The County was approved to receive four acres from the Department of the Navy once the Marine Base was formally closed.

During the FY 1999 Strategic Financial Plan process, two factors were given for why the County may need to relocate the shelter: (1) "The Animal Shelter is located adjacent to the Theo Lacy Branch Jail...[and c]ompletion of the fourth phase requires the Animal Shelter to be relocated in order to provide space for parking", and (2) "the City of Orange has plans to extend Metropolitan Drive to improve access to the City Shopping Center which is currently being renovated...[and t]he Animal Shelter is located in the right-of-way that is required to extend the road." At that time, there was no discussion of the condition of shelter as a reason to relocate it. The Strategic Financial Plan documentation can be found in Appendix C.

In 2007, the County's Resources and Development Management Department (RDMD), which later became OC Public Works, compiled an estimate of \$23 million for the relocation and construction of a new animal shelter.

Currently, the County continues to work closely with the Department of the Navy to formally take ownership of the land once appropriate environmental due diligence is complete. At this time, there is no definitive date upon which the County will receive the land.

The current working assumption is that the County will negotiate an agreement with Contract Cities whereby the County will contribute the land and the balance of the original \$5 million⁸ and the Contract Cities make up the difference of the total cost of the relocation. Existing operating agreements with Contract Cities include the ability of either party to terminate the agreement with a six-month notice. To ensure that participants pay their fair share for the new facility, any long-term agreements related to the financing and construction of a new facility between contract cities and the County should be separate and distinct from the existing agreements. While the County has approached Contract Cities regarding such long-term agreements, Contract Cities have expressed reluctance to proceed with negotiations until the County officially receives the designated land.

Recommendation 1: OC Animal Care management should develop long-term financing agreements, separate from its existing operating agreements, with Contract Cities for the construction of any new animal shelter.

⁸ It is estimated that approximately \$600,000 of the original \$5 million has been spent on various planning and environmental activities.

2. Existing Shelter

Staffing and Capacity at the Shelter. A Consultation Report commissioned by OCAC that was completed in June 2014 found that based on the number of animals on-site at the time of its review (596), as well as industry standards for the minimum time needed to care for an animal⁹, "it would take 18 staff members cleaning/feeding for 8 hours daily to ensure basic care for each animal is provided," or 144 hours daily. As of September 2014, OCAC scheduled Kennel Attendants and Supervising Kennel Attendants to work between 80 and 110 hours daily, which is 24%-44% below industry minimum standards.¹⁰

Recommendation 2: OC Animal Care management should periodically review kennel staffing levels and schedules to ensure that it meets industry standards.

Due to shelter capacity and staffing constraints, animals brought to the shelter to be surrendered by their owners may have to be turned away. Currently, OCAC tracks neither the number of days that owner surrenders are turned away due to shelter capacity issues nor the total number of animals that are turned away. However, there were 97 out of 353 non-holiday days in FY 2013 (27%) when no animals were surrendered to the Animal Shelter. Furthermore, over 70% of those days were in the months of July through November, which are some of the busiest months of the year. During the audit, the auditor observed OCAC staff turning away someone who came to the Shelter to surrender a dog.

Recommendation 3: OC Animal Care management should develop policies and procedures to allow for scheduled owner surrenders to better manage shelter capacity.

Disease at the Shelter. Between 2011 and 2013, the total number of dogs and cats that were euthanized declined significantly from 13,169 to 8,319 (37%). However, over this period, the relative number of animals that were euthanized for medical reasons increased from 29% to 33%. As shown in the following table, in 2013, only 48 animals (2 cats and 46 dogs) were euthanized for space or time, but 2,774 animals (2,329 cats and 445 dogs) were euthanized for medical reasons. Poor and crowded shelter conditions can contribute to the spread of disease and subsequent need to euthanize an animal.

⁹ As outlined by the Humane Society of the United States and the National Animal Care & Control Association, approximately 15 minutes per day are required to properly care for an animal housed at a shelter.

¹⁰ Percentages below minimum standards would be even higher if staff hours were adjusted for annual leave usage.

Euthanasia of Dogs and Cats by Reason

Euthanasia by Reason	2011	2012	2013
Space	155 (1%)	105 (1%)	1 (0%)
Time	2 (0%)	67 (1%)	47 (1%)
Medical	3,792 (29%)	3,170 (27%)	2,774 (33%)
Behavior	5,444 (41%)	4,699 (40%)	1,796 (22%)
Other*	3,776 (29%)	3,598 (31%)	3,701 (44%)
Total	13,169 (100%)	11,639 (100%)	8,319 (100%)

*Includes animals that were "Too Young" or not eligible for the Trap-Neuter-Return Program, but excludes owner-requested euthanasia.

Similarly, in FY 2014, 1,605 dogs and cats that were "normal" when they came into the shelter healthy were euthanized because of medical conditions or contagious diseases.¹¹

Recommendation 4: OC Animal Care management should track and report statistics related to capacity constraints and the spread of disease within the shelter on a routine basis.

Condition of the Shelter. The existing shelter facilities may be insufficient to meet existing demand for animal care services.

As discussed in the Background section, the cost and time required to build a new shelter and relocate operations to the new facility will be significant. Discussions regarding the construction of a new shelter have been ongoing for at least twenty years. The Board of Supervisors set aside \$5 million for the relocation of the shelter in 1995. Since that time, the Shelter Facility has not undergone any significant modifications.

There have been several consultation reports regarding the Shelter Facility. In 2008, a report was prepared by the UC Davis Koret Shelter Medicine Program that contained the following recommendation:

It is recommended that the shelter repair, replace, and/or renovate dog runs so that all runs are double-sided with fully functional dividing doors, and all dogs can be placed on one side of their runs while the other side is cleaned.

A follow-up review consultation report was prepared jointly by JVR Shelter Strategies and the UC Davis Koret Shelter Medicine Program in June 2014 (June 2014 Consultation Report). Select observations and recommendations regarding the housing of animals are listed below:

¹¹ Some animals could be mislabeled as "Normal" in OCAC's Chameleon System for various reasons including data entry errors, delayed symptoms, and inaccurate initial evaluations by staff.

Dog Housings

- *Observations*
 - *Dog Kennels are not truly double-sided compartments as guillotine doors are mostly non-functional.*
 - *The back panel of dog kennels is made of wood.*
- *Recommendations*
 - *Replace/repair guillotine doors.*
 - *Ensure that all kennel materials are completely disinfectable - Replace back wooden panels of kennels with non-porous materials.*
 - *Eventually, a new facility should be built to accommodate the animal population. Current housing does not meet the guidelines for other aspects that were not within the scope of this consultation. Appropriate housing units with proper drainage and safe materials are a necessary aspect of maintaining the health of the population.*

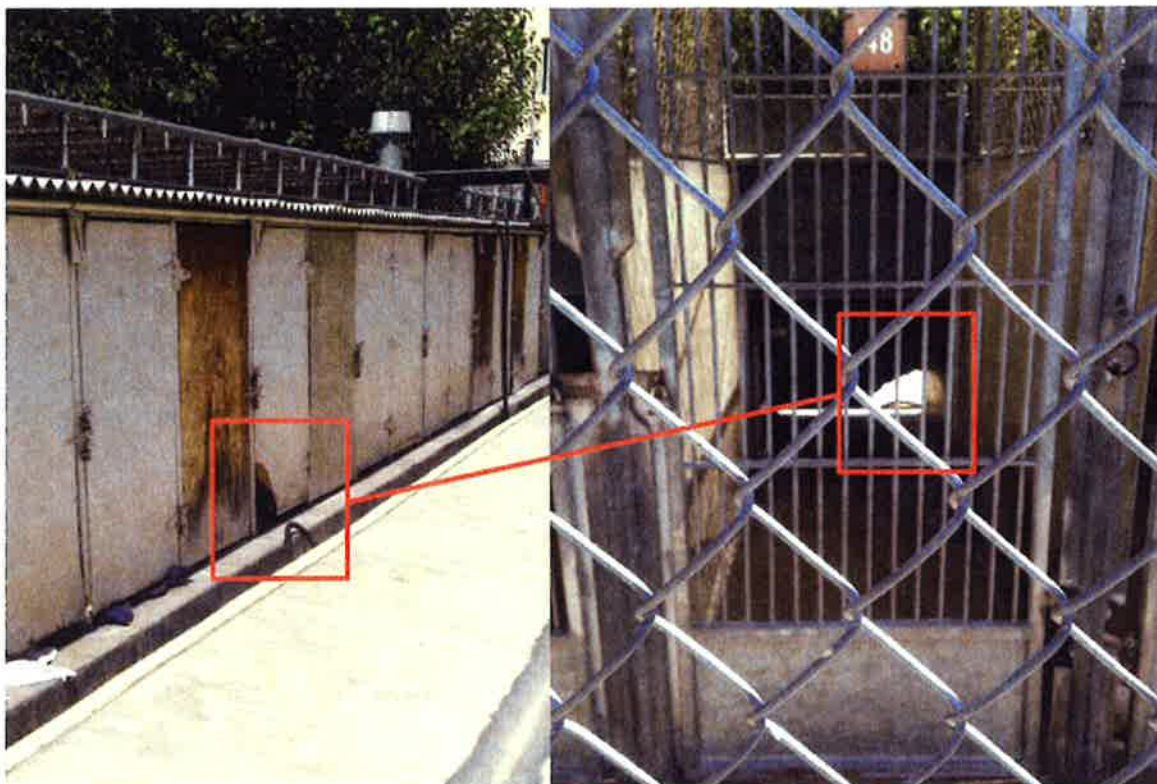
Individual Cat Housings

- *Observations*
 - *Cat housing dimensions are currently too small to allow cats to express normal behaviors.*
 - *Cat housing areas are poorly ventilated.*
- *Recommendations*
 - *Ensure there is adequate airflow through cat housing areas.*
 - *Create portholes between cages to provide more space for each cat.*

The entire report can be viewed in Appendix D.

In addition to reviewing the consultation reports, the audit team observed the current condition of the shelter in order to validate the findings and recommendations of those reports. Below is photographic documentation of certain observable issues with the condition of the kennels.

Example of non-functioning kennel due to broken door.



Examples of substantial rust and other damage on front kennel doors.

As detailed in the Background section, Contract Cities and the County share the cost of facility maintenance in amounts proportional to their utilization of the shelter. The County's direct cost for any shelter improvements is approximately 5% of the aggregate cost. For example, \$200,000 of site improvements would cost the County approximately \$10,000.

As summarized above, based on the recommendations of trained experts and qualified medical personnel, OCAC should consider certain immediate steps to improve the shelter facility. Because there is no concrete timeframe for the development of a new shelter, and because construction of a new shelter could take up to 24 months once construction begins, OCAC should proceed with deferred maintenance projects that are deemed essential (e.g., repair/replace all non-functional or dangerous kennel doors and improve ventilation of cat housing by retrofitting or replacing the existing modular structure).

Recommendation 5: OC Animal Care management should develop a short-term plan in collaboration with Contract Cities to complete critical maintenance projects, including repairs/replacement of the dog kennel doors and retrofit/replacement of the existing cat housing.

3. Operating Hours

The OC Animal Shelter is open seven days a week from 10:00 AM to 5:00 PM, with extended hours on Wednesday from 10:00 AM to 7:00 PM (51 hours per week). The nearby county-operated animal shelters are open for fewer hours per week than the OC Animal Shelter:

- San Diego County's three shelters are open Tuesday through Saturday from 9:30 AM to 5:30 PM (40 hours per week; 22% less than the OC Animal Shelter).
- Riverside County's West Riverside Animal Shelter is open Monday through Friday from 11:00 AM to 6:00 PM and Saturday from 11:00 AM to 5:00 PM (41 hours per week, 20% less than the OC Animal Shelter).
- Los Angeles County's shelters are open Monday through Thursday from 12:00 PM to 7:00 PM and Friday through Sunday from 10:00 AM to 5:00 PM (49 hours per week; 4% less than the OC Animal Shelter).

During visiting hours at the OC Animal Shelter, the public is able to visit with animals and potentially initiate the adoption process. Currently, there are no established visiting hours at the OC Animal Shelter. Instead, visiting hours occur only when staff can make time. Frequently, the public is unable to visit with animals for all or portions of the day. Some other shelters within Orange County post when the public can visit with animals and initiate an adoption. For example, the City of Irvine Shelter's policy is that people should "arrive at least two hours before closing in order to visit with adoptable animals" and that "adoptions stop one hour prior to closing."

Recommendation 6: OC Animal Care management should establish daily visiting hours for a single, continuous period of time, and post those hours at the entrance to the Shelter and on its website.

If necessary, OCAC should (1) cross train certain staff and/or volunteers to assist with visits, and/or (2) modify the hours that the shelter is open in order to allow for more dedicated time to care for the animals and ensure that visiting hours are more constant.

4. Medical Oversight

According to the "Guidelines for Standards of Care in Animal Shelters" authored by the Association of Shelter Veterinarians: "in cases where animal welfare could be compromised, a veterinarian's decision should not be overridden. Supervision and accountability for all staff and volunteers are essential to ensure that policies and protocols guide daily activity."

OCAC recently recruited a Chief of Veterinary Services. The position is one of four direct reports to the Director of OCAC. As a result of this reporting structure¹², the Chief of Veterinary Services does not have the explicit authority to direct staff in other units, such as Kennel Attendants or Animal Control Officers to do what is in the best interest of the animals. Without cooperation from the Administrative Managers in charge of these divisions, a directive given by the Chief of Veterinary Services would not necessarily have to be followed.

¹² In November 2014, the Director of Veterinary Services was appointed Interim Director of OC Animal Care.

Recommendation 7: OC Animal Care management should expand the authority of the Chief of Veterinary Services to include oversight of all medical aspects of OCAC operations by combining the position with either the Director of OC Animal Care position or the recently created Assistant Director of OC Animal Care position.

5. Availability of Animals

Currently, only animals that have been spayed/neutered are available to the public for visits and potential adoption. As a result, people may be unable to adopt the animals that they are interested in, which may result in them going elsewhere or not adopting at all. There have been cases where members of the public visit the OC Animal Shelter over a period of several days in an attempt to adopt a particular animal without ever receiving definitive information regarding when that particular animal might become adoptable.

Adoptable animals that have met the retention requirement should be made available to the public immediately, regardless of whether they have been spayed or neutered.

As an example, the County of Los Angeles' Department of Animal Care and Control has the following policy:

Available animals that are already spayed or neutered may be adopted that day. If an available animal has not yet been spayed or neutered, the animal care center is required to perform the surgery before the animal goes home. In these cases, you will be required to complete your adoption paperwork and pay all fees, and then return after the surgery is completed. In most cases the surgery is performed the next day but sometimes it may take a day or two longer, particularly if there are weekends or holidays involved.

Recommendation 8: OC Animal Care management should establish a policy to allow the public to begin the process of adopting an animal prior to that animal being spayed or neutered.

Recommendation 9: OC Animal Care management should establish a policy that prioritizes which animals get spayed/neutered and makes adopted animals a high priority.

B. Field Services

Field Services provides 24-hour animal control services for all Contract Cities except Santa Ana, as well as the unincorporated areas of Orange County. The services provided by this group include:

- Providing public health protection against communicable animal diseases, including rabies control;
- Ensuring the safety and well-being of animals;
- Enforcing local, State, and Federal laws, including leash and nuisance laws;
- Transporting injured animals for emergency treatment when an owner is unavailable;
- Providing humane euthanasia of seriously injured animals when an owner is unavailable;
- Educating the public on responsible pet ownership;
- Protecting the public from aggressive and suspected rabid animals;
- Working collaboratively with other shelters, agencies, and local law enforcement;
- Impounding stray or injured animals when an owner cannot be located;
- Conducting investigations of animal cruelty and neglect;
- Quarantining animals involved in bite incidents; and
- Issuing dog licenses and voluntary cat licensing.

In 2013, Field Services performed 59,873 "field actions" including 5,346 bite investigations, 4,732 wild animal calls, 8,012 dead animal pick-ups, and 18,858 stray animal calls.

Field Services is overseen by an Administrative Manager I and consists of one Chief of Field Services, five Supervising Animal Control Officers, ten Senior Animal Control Officers, thirty-one Animal Control Officers (ACOs), seven Dispatch Services Operators, and one Staff Specialist. Officers are assigned to one or more of six geographic zones within the County and respond to calls within those zones based on established priorities. For example, lower priority calls (e.g., dead animal pick-up) may not be handled for several days. The response priority levels for specific calls are set by the Field Services Dispatch Unit using the schedule below and utilized by Animal Control Officers in the field to prioritize their responses.

Priority 1	• Rabid Animals • Biting Animals that are Stray at Large • Stray Aggressive animals • Confined animals that have become aggressive • Mountain Lion (4-1-94), affecting public safety • Dogs on school property • Vicious or Dangerous Animals, affecting public safety • Snakes inside residence/building, on school grounds at any time, at a public playground area at any time, or when posing a threat to public safety
Priority 2	• Stray Roam Animals causing a traffic hazard • Sick or Injured Animals • 597s (Animal Cruelty/Neglect)
Priority 3	• Animals in the custody of an outside agency • Agency Assists
Priority 4	• Confined/Trapped/Tied Animals (non-aggressive) • Bite Reports • 597 Follow-up

Priority 5	• Routine Stray Roam animals • Owner Surrenders (higher priority if a biting animal) • Citizen Assists • Routine DVD (the attacking animal is no longer stray) • Investigate License
Priority 6	• All Others (i.e., kennel violations, follow-ups, etc.) • Dead Animals

As of November 2014, 9 of 56 positions (16%) within Field Services were vacant, including 8 of 31 Animal Control Officers (26%). This high vacancy rate can be attributed to several factors: (1) positions were kept vacant over the last couple fiscal years in order to keep expenditures down, and (2) the hiring/training process is extremely long.

With such understaffing, Animal Control Officers must patrol more than one service area during their shift. In the past, there were eight officers and two supervisors in the field; currently, there might be four officers in the field, including one supervisor. As shown in the table below, estimated Field Services hours have declined over the last several years by approximately 15%.

Field Service Labor Hours¹³

FY	Labor Hours	Annual Change
2010	91,748	-
2011	82,206	-10.4%
2012	81,464	-0.9%
2013	82,616	1.4%
2014	77,897	-5.7%

Given limited hours, management and staff should focus on effectively and efficiently responding to calls. Management and staff do not maintain and track performance targets for response times; therefore, it is difficult to monitor overall performance and take steps to improve performance.

Recommendation 10: OC Animal Care management should establish response time goals for all call priorities.

As shown in the following table, over 65% of field actions were for low priority calls.

¹³ Includes Labor Hours for Budget Control 012-3201 for the following job numbers: CZ3208A0 (Animal Control Public Education), CZ325800 (Rabies Control), CZ327800 (Field Services – Animal Pick-up), and CZ328800 (Animal Control – Field & Special Services). A small number of these hours may be attributable to non-Field Services staff.

Completed Field Actions by Priority (excluded "Unable to Make")

Priority	FY 2012	FY 2013	FY 2014	Total	% of Total
1	1,741	1,883	1,653	5,277	3%
2	17,079	18,136	16,074	51,289	29%
3	1,282	1,497	1,384	4,163	2%
4	148	259	892	1,299	1%
5	36,523	38,516	32,113	107,152	60%
6	2,829	2,729	2,991	8,549	5%
Total	59,602	63,020	55,107	177,729	100%

ACOs spend a significant amount of time on calls that could be handled by other staff. As a result, operational response times suffer.

Another way to evaluate responsiveness is to look at the number of calls that could not be completed in a given shift. These calls were labeled "UTM" or "Unable to Make." Between FY 2012 and FY 2014, the total number of UTMs increased from 25% to 39% of all actions.

Action Result	FY 2012	FY 2013	FY 2014	Total
Unable to Make	19,753 (25%)	28,624 (31%)	35,625 (39%)	84,002 (32%)
Other Action Result	59,602 (75%)	63,020 (69%)	55,107 (61%)	177,729 (68%)
Total Actions	79,355 (100%)	91,644 (100%)	90,732 (100%)	261,731 (100%)

The following are two case studies that evaluate two types of low priority calls: License investigations (Priority 5) and Dead Animal Pick Up (Priority 6). As shown in the table, 18% of the 177,729 field actions completed over the last three fiscal years were for either (1) Dead Animal Pick Up or (2) License Investigation.

Activity Description	FY 2012	FY 2013	FY 2014	Total
DEAD ANIMAL PICK UP	8,138 (14%)	8,279 (13%)	7,522 (14%)	23,939 (13%)
INVESTIGATE LICENSE	2,969 (5%)	3,511 (6%)	2,086 (4%)	8,566 (5%)
ALL OTHER	48,495 (81%)	51,230 (81%)	45,499 (83%)	145,224 (82%)
TOTAL	59,602 (100%)	63,020 (100%)	55,107 (100%)	177,729 (100%)

CASE STUDY: LICENSE INVESTIGATION (PRIORITY 5)

For 70% of the 8,566 Investigate License actions, the assigned ACO left a door tag that states the following: "Animal Control Officer from Orange County called at your residence today in regards to: Failure to Obtain a Dog License. OCCO 4-1-70." In less than 8% of cases was an ACO actually able to issue a new license. In one particular case, 86 door tags were left at a residence over an eight-month period, or 2.6 door tags per week.

Activity Description	FY 2012	FY 2013	FY 2014	Total
Door Tag	1,923 (65%)	2,609 (74%)	1,481 (71%)	6,013 (70%)
License Issued or Renewed	315 (11%)	224 (6%)	130 (6%)	669 (8%)
All Other	731 (25%)	678 (19%)	475 (23%)	1,884 (22%)
TOTAL	2,969 (100%)	3,511 (100%)	2,086 (100%)	8,566 (100%)

Animal Control Services Representatives in the Canvassing Unit are trained and qualified to respond to calls for license investigations. More information on the Canvassing Unit can be found in Section IV.C Canvassing.

CASE STUDY: DEAD ANIMAL PICK UP (PRIORITY 6)

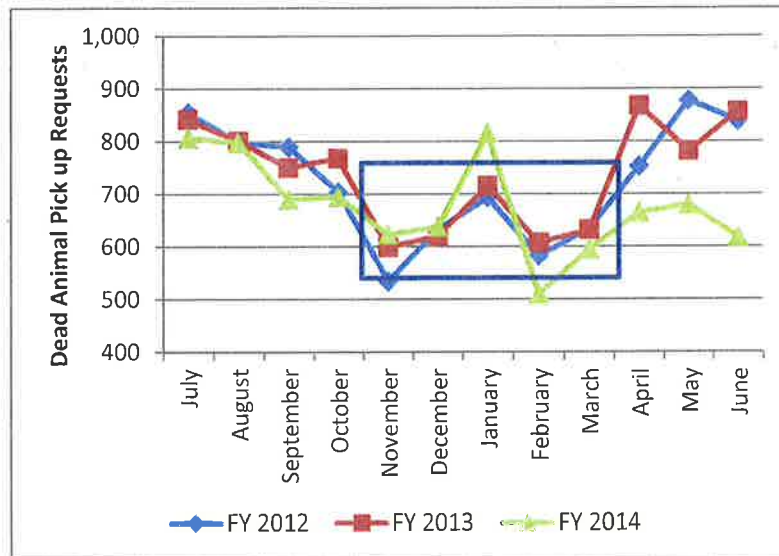
OCAC has poor response times when it comes to Dead Animal Pick Up. Staffing and resource issues have significantly impacted the ability of Field Services to address low priority calls such as Dead Animal Pick Ups.

In the past three years, the total number of "Unable to Make" actions for Deal Animal Pick Up calls increased by over 100% from 5,544 to 11,217 per year.

Action Result	FY 2012	FY 2013	FY 2014	Total
Unable to Make	5,544 (41%)	8,250 (50%)	11,217 (60%)	25,011 (51%)
Other Action Result	8,138 (59%)	8,279 (50%)	7,522 (40%)	23,939 (49%)
Total Actions	13,682 (100%)	16,529 (100%)	18,739 (100%)	48,950 (100%)

Additionally, there appear to be significant fluctuations in the number of new Dead Animal Pick Up requests. As shown in the chart and table below, there are significantly fewer requests for Dead Animal Pick Ups from November to March ("low season") than from April to October ("high season"). Over the last three fiscal years, there were 23% more new requests for dead animal pick-up each month during the "high season" than there were during the "low season," which equates to 144 more requests each month.

Chart: Dead Animal Pick-up Requests by Month



New Dead Animal Pickup Requests (monthly average)	
Low Season (Nov. - March)	629
High Season (Apr. - Oct.)	773

Given that staffing levels at OCAC are generally flat throughout the year, seasonal increases in the number of new calls can negatively impact response times. Subsequent to the start of this audit, the Director of OCAC authorized the use of extra help staff to assist in reducing the backlog of uncollected dead animals and improving response times during some of the "high season" months.

Recommendation 11: OC Animal Care management should direct the Canvassing Unit to handle licensing checks on behalf of the Field Services group, when appropriate.

Recommendation 12: OC Animal Care management should formalize the use of seasonal staff or other staff resources to handle the increased volume of new dead animal pick up requests during specific high-volume months of the year.

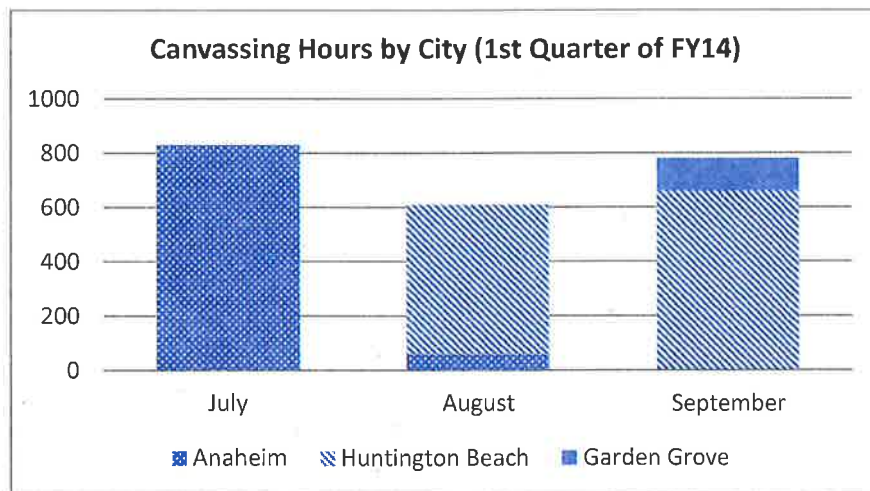
Recommendation 13: OC Animal Care management should evaluate whether any other field activities could be completed by other staff or by other means (e.g., over the phone) and, if appropriate, modify the relevant policies and procedures.

C. Canvassing

The Canvassing Unit, which is part of Administrative Services, consists of 12 Animal Control Services Representative (ACSR) positions including two part-time positions. Hours spent annually in each city are based on usage/fees paid. OCAC budgets approximately 15,000 hours per year for canvassing, but this number can fluctuate based on staffing; cities are guaranteed a percentage of available hours but not guaranteed an actual number of hours.

Total Canvassing Hours	
FY 2010	11,826
FY 2011	9,463
FY 2012	13,102
FY 2013	12,820
FY 2014	12,648

The ACSR's canvass all residents rather than only residents with pets or those with delinquent animal licenses. OCAC does not utilize any information available through the Chameleon system when determining how to allocate Canvassing resources. Based on the FY 2013 Fee Study, the Canvassing Program cost \$938,339, or \$65.98 per labor hour.¹⁴ The entire Canvassing Unit can spend several months of the year in a few cities rather than target areas with delinquent licenses. For example, during the first quarter of FY 2014, canvassers only visited three cities.



¹⁴ This total is based on labor hours and S&EB costs from FY2011. Between FY 2011 and FY 2013, labor hours for Field Canvassing (job number: CZ322800) increased by 33% from 14,186 to 18,880. As such, the annual cost of this program is likely well in excess of \$1 million. Total labor hours for the Canvassing Unit include hours spent canvassing as well as hours spent on non-canvassing and administrative activities.

According to OCAC, canvassers' goals are to visit 100 houses per day and issue five licenses. Canvassers only work Monday through Thursday from 7:00 AM to 5:30 PM. Since these are typical work hours, it is likely the case that people are not home.

Using productivity data provided by OCAC, it appears that the Canvassing Program does not fully recover its cost. In FY 2012, the Canvassing Program recovered an estimated 73% of its total cost.

Canvassing Productivity - FY 2012

Total Revenue	\$665,612
Total Direct Expenditure (CZ322800)	\$689,620
Estimated Indirect Expenditure	33%
Estimated total annual cost of canvassing program	\$915,871
Estimated Direct Cost Recovery of Canvassing Program	97%
Estimated Total Cost Recovery of Canvassing Program	73%

While this analysis may be an oversimplification¹⁵, available data was insufficient to conclude that the program is highly effective. Subsequent to the start of this audit, OCAC initiated steps to have the Canvassing Group begin utilizing Chameleon for certain aspects of its operation, including gathering productivity data. The following case study looks at program activities in greater detail.

Case Study: Canvassing in June 2014

In June 2014, the Canvassing Unit visited a total of 7,774 residences. There was no one home at 80% of the households. The Canvassing Program encountered 3,610 dogs, of which 69% had valid licenses, 16% had delinquent licenses, and 15% had no license or a license that was due for renewal but not yet delinquent. A subset of this latter group would represent potential "new dog" licenses. However, the actual number of "new dog" licenses that could be issued is not currently tracked, but would likely be significantly lower than 533, as listed below.

¹⁵ This analysis does not account for certain factors including (1) that some revenue generated by the Canvassing Unit would likely be gathered by other means such as direct mail, and (2) that one interaction could result in revenue collection for multiple years over the course of a particular cycle.

# of Residences with No One Home	6,218	80.0%
Total # of Residences Visited	7,774	100.0%

# of Licensed Dogs (or Dogs with Licenses)	2,500	69%
# of Dogs with Delinquent Licenses (<i>Notice to Obtain</i> ¹⁶)	577	16%
# of New Dogs without Licenses or Dogs with licenses that are due but not yet delinquent (<i>Notice to Comply</i> ¹⁷)	533	15%
Total # of Dogs	3,610	100%

Recommendation 14: OC Animal Care management should develop approaches to enhance the cost effectiveness of the canvassing program by utilizing Chameleon.

Recommendation 15: OC Animal Care management should make the following modifications to the Canvassing Unit: (1) Move the Canvassing Unit from Administrative Services to Field Services, (2) Direct canvassing staff to handle all license checks, when appropriate, and (3) Schedule canvassers seven days a week.

D. Licensing

1. Multi-year Animal Licenses

OCAC only offers one-year animal licenses. Some neighboring agencies including the County of San Diego, which provides services to six contract cities, and the City of Irvine allow for the purchase of multi-year licenses.

Based on Orange County Ordinance Section 4-1-70, "an owner may purchase a license for six (6) or twelve (12) months, depending upon the date and kind of [rabies] vaccine used, upon payment of the fee established by resolution of the Board of Supervisors." The above language was adopted in 1975 and has not been modified since then.

Based on California State Code, local governments have the authority to issue licenses for up to three years for dogs that are 12 months or older and have appropriate vaccinations.

(g) In addition to the authority provided in subdivision (a), the ordinance of the responsible city, city and county, or county may provide for the issuance of a license for

¹⁶ Notice to Obtain –notice to complete licensing for dogs with Chameleon records that are delinquent.

¹⁷ Notice to Comply –notice to complete licensing for (1) new dogs with no previous Chameleon records or (2) dogs with Chameleon records that are due for renewal and not yet delinquent.

a period not to exceed three years for dogs that have attained the age of 12 months or older and have been vaccinated against rabies or one year for dogs exempted from the vaccination requirement pursuant to subdivision (b). The person to whom the license is issued pursuant to this subdivision may choose a license period as established by the governing body of up to one, two, or three years. However, when issuing a license pursuant to this subdivision, the license period shall not extend beyond the remaining period of validity for the current rabies vaccination and, if a dog is exempted from the vaccination requirement pursuant to subdivision (b), the license period shall not extend beyond one year. A dog owner who complies with this subdivision shall be deemed to have complied with the requirements of subdivision (a).¹⁸

As of December 31, 2013, there were a total of 161,140 dog and cat licenses. OCAC would likely save money by offering pet owners the ability to purchase multi-year licenses.

Based on its currently policy of issuing 12-month licenses, OCAC would have to process 483,420 licenses over three years assuming annual licenses remain constant (Scenario 1). If 20% of owners purchased 3-year licenses rather than 1-year licenses, OCAC would process 64,456 fewer licenses over this period, which would be a reduction of 13.3% (Scenario 2). The Licensing Group estimates that it sends out approximately 35,000 pieces of mail monthly, or 1.26 million pieces of mail over three years. For illustrative purposes, a 13.3% reduction in the number of licenses to be processed would eliminate the need to send 168,000 pieces of mail every three years.

	1-year / 3-year	Year 1	Year 2	Year 3	3-year total
Scenario 1	100% / 0%	161,140	161,140	161,140	483,420
Scenario 2	80% / 20%	161,140	128,912	128,912	418,964
Savings (#)		-	32,228	32,228	64,456
Savings (%)		0.0%	20.0%	20.0%	13.3%

To put this potential savings in perspective, over the last three fiscal years, the OCAC Licensing group spent an average of \$160,000 annually on postage alone plus an additional \$94,000 annually on related printing and processing services (not including staff costs).

¹⁸ California Health and Safety Code §121690

Recommendation 16: OC Animal Care management should investigate the impact of issuing multi-year licenses for up to three years and, if appropriate, work with County Counsel to develop revised language to Orange County Ordinance Section 4-1-70 and present those revisions to the Board of Supervisors for its consideration.

In order to properly account for this revenue, OCAC could make accounting adjustments so that revenue from future year license payments is not immediately recognized. Additionally, OCAC could craft its refund policy so that future license payments are non-refundable, since this option would be voluntary and could be seen as a logistical benefit to the customer.

2. Cat Licenses

Unlike licensing of dogs, licensing of cats is not required by State law or County ordinance. Sec. 4-1-85 of the Orange County Ordinance summarizes the requirements and process for obtaining a cat license:

*The owner of any cat may, upon submission of proof of rabies vaccination, certified to by a licensed veterinarian, and upon payment of the fee established by resolution of the Board of Supervisors, be issued a license certificate and tag. No person shall remove a registration tag from a cat without the consent of the owner thereof. Licensing shall be valid for the period of the rabies vaccination. **The obtaining of such a license shall be optional on the part of the owner, except as provided in section 4-1-76.***

OCAC estimates that as of December 31, 2013, there were 371,095 cats living in households within its service area. Of this number, only 439 were licensed, which represents a license rate of 0.12%.

There are several examples of California counties with significant populations of licensed cats. In 2012, four California counties had significant numbers of cat licenses: Alameda (10,533), Los Angeles (27,553), Sacramento (8,596), and Santa Clara (19,192).

In 2013, cats represented 11,351 of 26,444 live animals¹⁹ (42.9%) that were impounded at OCAC's shelter. Additionally, cats represented 6,886 of 9,822 (70%) animals that were euthanized by OCAC in 2013. **Only 202 (1.8%) impounded cats were returned to their owner.** Currently, voluntary cat licenses can be obtained at a cost of \$6.00 annually.

Since most cats in the County are neither microchipped nor licensed, it is extremely difficult to reunite lost cats with their owners. Since many cats are considered "outside pets," it may take many days for an owner to realize that his or her cat is missing. Given this delay, there is the potential that a cat could be impounded and euthanized before the owner realizes that it is missing.

¹⁹ Excludes OWNER REQUESTED EUTHANASIA and DECEASED ANIMAL IMPOUND.

Of the 11,351 live cats that were impounded, 17.1% (1,941) were adopted and 1.8% (202) were returned to their owners. The expenses related to the impoundment of the remaining 80% of cats have no corresponding fee revenue from cat owners. The vast majority of this cost is funded through (1) general fund contributions from Contract Cities and the County, and (2) fee revenue paid by dog owners.

The approximate annual revenue collected from cat licensing fees totaled \$2,634 (439 x \$6.00) in 2013, based on a "compliance rate" of 0.12%. By comparison, the overall "compliance rate" for dogs is 45.4%. If OCAC was able to increase compliance from 0.12% (439) to 15% (55,664), it could generate approximately \$334,000. If the annual license fee was increased to a rate equal to that of dog licenses (\$27), the additional revenue would equal \$1.5 million.

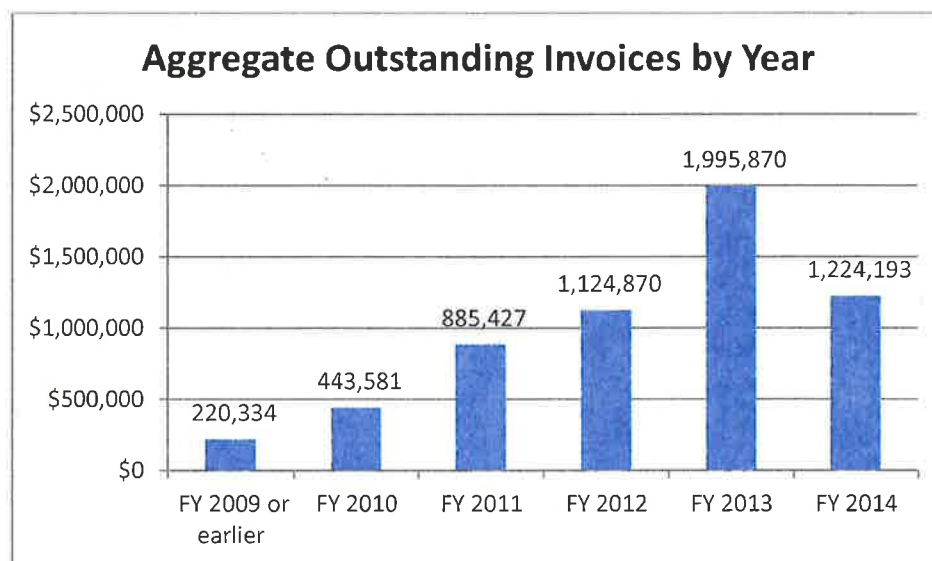
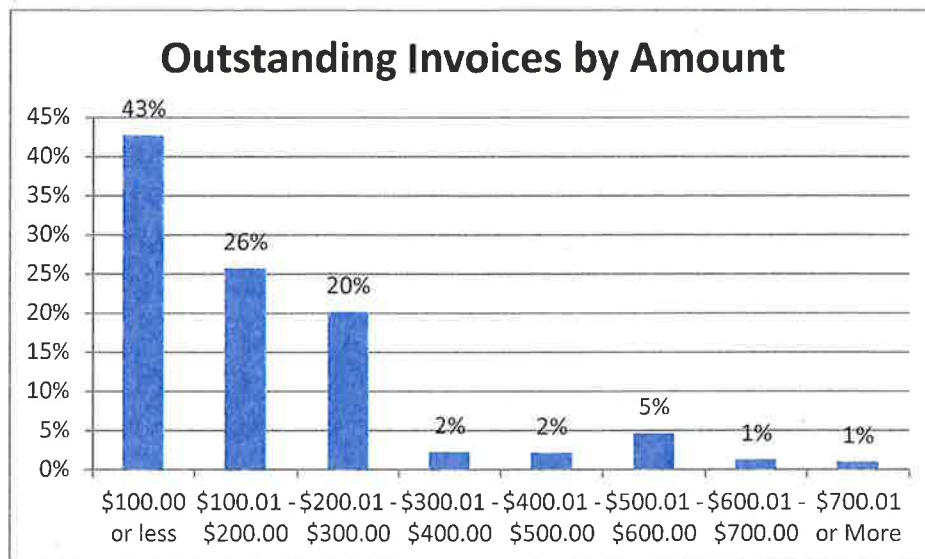
Recommendation 17: OC Animal Care management should work with County Counsel to develop revisions to Orange County Ordinance Section 4-1-85 to require that all domestic cats within the County of Orange be licensed and present those revisions to the Board of Supervisors for its consideration.

E. Collections

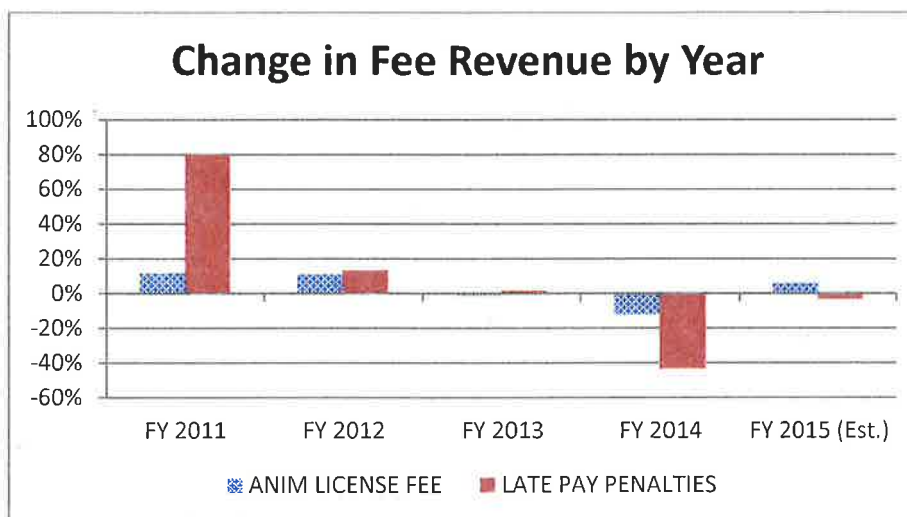
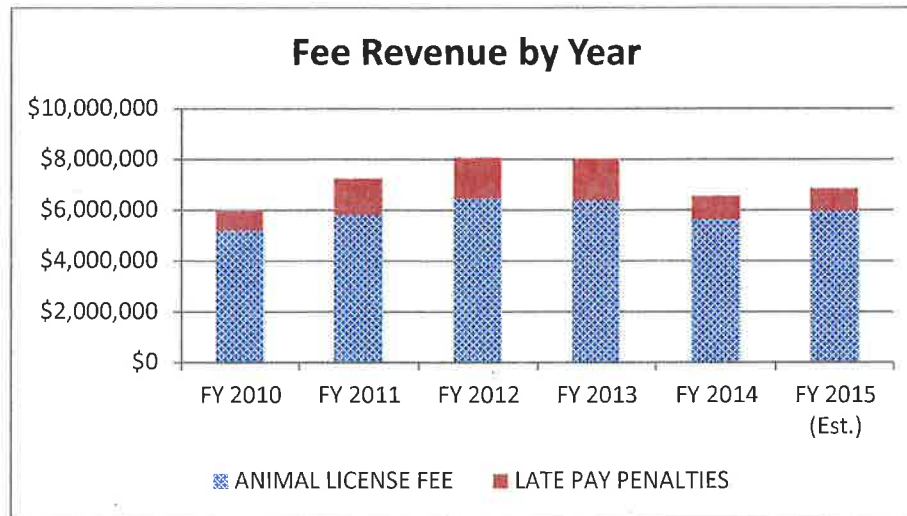
OCAC relies on the Treasurer-Tax Collector (TTC) for collections services and spends a significant amount of money trying to collect delinquent accounts. All overdue invoices are sent to TTC for follow-up (approximately 600 per month). However, OCAC does not evaluate the effectiveness of collections nor does it have formal policies/guidelines regarding the extent to which TTC should attempt to collect. OCAC's TTC charges have increased by more than 300% between FY 2012 and FY 2014 to \$483,887.

TTC provides monthly updates on the aggregate amount collected but does not directly report the corresponding costs. For example, OCAC does not know how much it costs to collect on a particular outstanding invoice. Additionally, OCAC does not have a formal policy for what levels of collections services are appropriate given specific types/amounts of debt. TTC makes all reasonable efforts to collect. Given that this information is not reported or evaluated by OCAC staff, it is possible that certain collections activities (small claims court, etc.) are not cost effective.

As of September 2014, there was a total of \$5.9 million in uncollected revenue. As shown in the following graph, 43% of the 31,237 unpaid invoices are for \$100 or less and only 1% are greater than \$700. And, \$2.7 million of outstanding invoices has been delinquent since 2012 or earlier.



OCAC began utilizing TTC to collect delinquent payments in FY 2010. As a result, there was a corresponding increase in animal licenses and licensing revenue through FY 2013. By FY 2014, fee revenue, particularly from late payment penalties has dropped considerably. Over this same period, OCAC's collection costs have continued to increase.



Recommendation 18: OC Animal Care management should work with the Treasurer-Tax Collector to evaluate the effectiveness of its various collection activities and, if appropriate, implement new ones to reduce costs.

Recommendation 19: OC Animal Care management should develop a formal policy for how it utilizes the Treasurer-Tax Collector in its collections effort.

F. Contract City Billing

Agreements

Contract Cities have entered into contracts that are automatically renewed annually and contain mutual 6-month termination clauses, with the County for animal care services. These services are funded through two primary sources: (1) user fees related to licenses, adoptions, and other services; and (2) direct "general fund" contributions from Contract Cities and the County. For FY2014, user fees covered approximately 53% of total OCAC expenses. Cities are required to pay actual costs on a quarterly basis.

Accrual Accounting

Accrued revenue is immediately credited to Contract Cities to offset their required contributions regardless of whether that revenue is collected. However, if bad debt is written off, it will not necessarily become the responsibility of the city that originally received credit. As of September 2014, there was approximate \$5.9 million of uncollected receivables, almost half of which have been on the County's books for over two years.

It is unclear what would happen to these liabilities if a city terminated its contract with OCAC. Additionally, if accrued revenue exceeds annual expenses in any year, cities are provided a rollover "credit."

The auditor was told that due to limitations with OCAC's IT systems (Chameleon and CAPS+) a more accurate accounting of revenue is currently not feasible. However, OCCR is currently evaluating a switch from accrual basis to cash basis, which could eliminate this issue.

Case Study: Radical Reptiles in Stanton

Following the closure of Radical Reptiles, a pet store in the City of Stanton, OCAC housed 442 animals for a 3-month period at a cost of over \$100,000. The County initiated a lawsuit against the storeowner in order to collect payment for the related shelter expenses. According to OCAC's billing summaries for FY 2010 through FY 2014, the City of Stanton's total annual expenses and total annual revenues were approximately \$80,000 higher in FY 2010 than they were in each of the next four fiscal years.

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Expenditure	\$357,248	\$274,420	\$277,126	\$260,196	\$271,353
Revenue	235,301	149,054	164,970	148,109	111,113
<i>Billed to City of Stanton</i>	<i>\$121,947</i>	<i>\$125,366</i>	<i>\$112,156</i>	<i>\$112,087</i>	<i>\$160,240</i>

It appears that (1) these increased expenses are attributable to the cost to care for the animals from

Radical Reptiles, and (2) the increased accrued revenues are attributable to the owner of Radical Reptiles' unpaid invoice. Under its current funding methodology, OCAC gives Contract Cities credit for accrued revenue, whether or not it is collected.

In March 2013, the County settled a countersuit with the owner of Radical Reptiles that included "the waiver of an assessment by the County against [the storeowner] for the caring for the animals, in the amount of \$158,436 (the assessment plus accrued interest)." At that time, the uncollected balance of \$106,349 should have been written off because it was uncollectable. However, as of September 2014, the outstanding invoice referenced above remained on a list of unpaid invoices that the Treasurer Tax-Collector is attempting to collect on behalf of OCAC. It appears that in this case OCAC has provided the City of Stanton a subsidy of over \$100,000 since FY 2010.

Recommendation 20: OC Animal Care management should track the corresponding jurisdiction of all accrued but uncollected revenue, periodically (e.g., quarterly) provide that information to the Contract Cities, and, if appropriate, adjust billings accordingly.

Recommendation 21: OC Animal Care management should work with the Auditor-Controller to develop a plan to move from an accrual accounting basis to a cash accounting basis.

G. Donations & Sponsorships

1. Donations

OCAC solicits and receives donations from private donors and various non-profit organizations. Individuals can make donations on OCAC's website, as well as via the license renewal form. Over the last three years, OCAC was able to utilize donation proceeds of between \$50,000 and \$69,000 annually. The majority of those proceeds were used for veterinary services, spay/neuter operations, and general shelter services, as shown in the following table.

Use of Donation Proceeds	2012	2013	2014	Total
CANINE SPAY/NEUTER	\$13,712	\$13,247	\$20,890	\$47,849
SHELTER SERVICES	\$17,401	\$12,938	\$16,085	\$46,424
VETERINARY SERVICES	\$8,034	\$7,624	\$11,486	\$27,143
FELINE SPAY/NEUTER FEE	\$4,866	\$6,695	\$9,045	\$20,606
VACCINATIONS-OTHER	\$3,227	\$3,545	\$3,685	\$10,457
VACCINATIONS-RABIES	\$2,388	\$1,684	\$2,267	\$6,339
ACS MICROCHIP	\$1,189	\$1,373	\$2,596	\$5,158
DAILY FEED AND CARE	\$502	\$1,315	\$2,444	\$4,261
IMPOUND FEES	\$270	\$936	\$540	\$1,746
IMPOUND FINES	\$0	\$225	\$160	\$385
RELINQUISHMENT FEES	\$162	\$35	\$180	\$377
Total	\$51,749	\$49,616	\$69,378	\$170,743

As a General Fund department, OCAC has to spend or encumber any donation revenue in the fiscal year that it is received. Currently, it does not have the ability to accumulate reserves and spend them in future fiscal years.²⁰ Any unused donation revenue has to be returned to the General Fund at the end of each fiscal year. As a result, OCAC may not be maximizing its benefit from public donations because (1) donations might be “lost” to the general fund, (2) donations that must be spent quickly might not be utilized for the most critical purposes, and (3) potential donors might be dissuaded from donating, because there is no assurance that their donation will go towards its intended purpose.

As one workaround, OCAC has worked with Auditor-Controller to make a technical adjustment during the Quarterly Budget Report process in order to “save” donation revenue that could not be spent in the prior fiscal year, a bad long-term solution.

Alternatively, OCAC explored the idea of establishing a dedicated trust fund, similar to what was done to secure the \$5 million that was set aside by the Board of Supervisors for a new facility in 1995. The Auditor-Controller Department rejected this proposal citing the requirement that revenue must be recognized in the year that it is received. Our review indicates that there are several examples of such trust funds at other animal control agencies around the State.

- The County of San Diego’s Animal Services has established several donation trust funds including separate donation funds for its three shelters and its Spirit Fund, which is used for medical care only.
- The City of Los Angeles maintains the Animal Welfare Trust Fund 859 and the Animal Sterilization Fund 842.

²⁰ For example, if OCAC receives a \$5,000 donation on June 29th, it would have one day to spend or encumber all \$5,000. Any amount that was unspent or unencumbered at the end of the fiscal year would be returned to the General Fund.

- The County of Mendocino has established a trust fund for its Mobile Spay/Neuter Program in order to ensure that “all funds stay within the program and that they are NOT considered part of the County's General Fund.”

Recommendation 22: OC Animal Care management should formally request that the Auditor-Controller establish a dedicated donation fund for OCAC.

2. Sponsorships

Currently, OCAC is unable to participate in certain types of partnerships with private companies and non-profits. Because OCAC does not have an established Marketing Policy that permits such activities, it could be forgoing potential significant revenue from sponsorships.

In November 2014, OCCR was working on an Agenda Staff Report (ASR) for consideration by the Board of Supervisors. The recommended actions include “adopt[ing] Marketing Plans for OC Animal Care, OC Community Services, and OC Public Libraries to pursue sponsorships with non-profit organizations, private sector organizations, and businesses in support of programs and events.” For example, OCAC’s marketable assets that could be utilized for sponsorship opportunities include signage on buildings, animal housing units, cages and kennels, walkways, and informational kiosks. According to the “OC Animal Care Marketing Plan” that was included as an attachment to the draft ASR, “OC Animal Care estimates its short-term (12-24 months) revenue goal at \$100,000,” and “OC Animal Care projects its long-term revenue goal at \$1,000,000 from this type of market program.” The Plan also notes that other jurisdictions and public agencies take advantage of such marketing opportunities.

Subsequent to the start of this audit, OCCR stopped pursuing its department-specific marketing plan because CEO/Real Estate was working to develop a countywide “marketing” strategy that would include these types of activities.

Recommendation 23: OC Animal Care management should continue to work with OCCR and CEO/Real Estate to establish a marketing plan that would allow OC Animal Care to pursue private sponsorships.

H. Volunteer Services

Volunteers play an important role in the operations of OCAC and, in particular, the care and nurturing of its animals. OCAC has approximately 400 volunteers who support OCAC in a variety of capacities, including 160 volunteers who foster young or injured animals.

Over the past three years, OCAC volunteers have completed more than 100,000 hours of service annually. The bulk of these hours (89%) were completed by volunteers fostering animals at their own homes. Total foster volunteer hours for 2013 were equivalent to 66.5 full-time equivalent individuals (FTEs), and total volunteer hours at the shelter were equivalent to 7.1 FTEs. Between 2012 and 2013, total volunteer hours declined by 8% following an increase of 57% from the prior year.

Volunteer Hours/FTEs by Activity

	2011	2012	2013
Foster	93,472 hrs. 44.9 FTE	150,650 hrs. 72.4 FTE	138,340 hrs. 66.5 FTE
Shelter	12,696 hrs. 6.1 FTE	15,665 hrs. 7.5 FTE	14,708 hrs. 7.1 FTE
Off-site/Special Event	450 hrs. 0.2 FTE	1,203 hrs. 0.6 FTE	1,503 hrs. 0.7 FTE
Total	106,618 hrs. 51.3 FTE	167,518 hrs. 80.5 FTE	154,551 hrs. 74.3 FTE

1. Volunteer Training

OCAC conducts orientation and training sessions for prospective volunteers four times per year (January, April, July, and October). Below is an overview of the steps required to become a volunteer for OCAC.

1. **Submit RSVP.** RSVPs are accepted approximately one month prior to the four scheduled orientation dates, which means there is no way to register to volunteer at OCAC during eight months of the year. Because of these reservation procedures, a prospective volunteer may have to wait more than three months to submit an RSVP.
2. **Get selected to attend Orientation.** Once prospective volunteers have RSVP'd, they are not necessarily guaranteed a spot in the upcoming orientation session. According to OCAC, they receive between 150-200 RSVPs to attend volunteer training, but can accept only 50 per session due on space constraints. By limiting the number of volunteers based on the capacity of the conference room at OCAC headquarters, the County turns away approximately 100-150 potential volunteers every quarter. As such, a prospective volunteer might have to wait almost one year to attend an orientation session.
3. **Attend Orientation.** During the orientation session, prospective volunteers are provided with an overview of OCAC, including volunteer program requirements, shelter statistics related to intake and euthanasia, and an overview of the following volunteer positions:
 - a. Dog Walker/Socializer
 - b. Cat Socializer/Enrichment
 - c. Rabbit Socializer/Enrichment
 - d. Kitten Nursery Attendant
 - e. Bather/Groomer

- f. Greeters/Pet Detectives
 - g. Special Events
 - h. Foster Caretaker
4. **Submit Application.** At the end of the orientation session, prospective volunteers are presented with an overview of the "Volunteer Selection Process," which included consenting to a background check and completing a cover letter detailing interest in volunteering and feelings/opinions about euthanasia. According to OCAC, of the fifty people who attend orientation, two to three may self-select out of the program and, depending on the content of their cover letters or results of the background check, some may be excluded from the program.

Due to the current practices, OCAC can onboard fewer than two hundred volunteers annually. According to OCAC, volunteers have complained that there are not enough other volunteers on staff at a particular time to assist with required tasks. For example, there may only be one "Dog Walker/Socializer" volunteer available to walk all adoptable dogs on a particular day.

Recommendation 24: OC Animal Care management should modify the volunteer onboarding process to (1) require all potential volunteers to complete the volunteer application, including a consent to the requisite background check, as part of the initial RSVP process; (2) allow prospective volunteers to RSVP at any time; and (3) include those potential volunteers in the earliest possible orientation session.

If necessary to accommodate larger groups, OCAC should split up sessions or conduct them at larger facilities (e.g., HOA Board Hearing Room, Soda Fountain Pavilion at Irvine Regional Park).

2. Volunteer Job Duties

After receiving proper training, volunteers at the shelter are able to work on the following activities.

Dog Walker	Dog walkers exercise and socialize dogs that are currently available for adoption. Through this interaction, volunteers provide the dogs with mental stimulation creating a healthier, happier, more adoptable dog. Some volunteers work with dogs to develop good manners, such as walking well on a leash, that will help them be more successful in their new homes. Dog walkers may also bathe adoptable dogs as needed.
Cat Socializer	Cat socializers work with cats that are currently available for adoption, providing them with mental stimulation and practice being handled in various manners.
Rabbit Socializer	Rabbit socializers handle rabbits that are currently available for adoption at the shelter. Some rabbits are not used to being handled and these volunteers help to create more social, and thus more adoptable, bunnies.

Greeter/Customer Service	These volunteers greet and offer assistance to the public at OC Animal Care's front gate. Greeters are a visitor's first contact with OC Animal Care and, through their warm greeting and courtesy, may influence a person's decision to adopt an animal from the shelter.
Community Events/Special Shelter Events	Volunteers act as shelter ambassadors and help to spread the mission of OC Animal Care throughout the community. Volunteers participating in special events, both on-site and off-site, help to promote the adoption of shelter animals. Through education and a positive attitude, these volunteers help build lasting relationships with the community OC Animal Care serves.
Clerical Support	Volunteers assist shelter staff with various office projects, helping to improve the efficiency of work completed at OC Animal Care. Projects are intermittent and are assigned to clerical volunteers as the need arises.
Groomer	Volunteers groom shelter dogs to create quality bonding time between themselves and the dogs, thus increase a dog's adoptability. These dogs often come to us matted and dirty. This special attention from a grooming volunteer enables the dog's true personality to shine through and increased his chance of being adopted. At this time OC Animal Care is unable to offer thorough grooming training, but we welcome those who possess grooming skills.
Kitten Nursery Attendant	Kitten nursery attendants help to feed, clean, and care for small kittens that are housed in OC Animal Care's kitten nursery. These kittens are currently awaiting placement with a rescue organization or a foster home. With the help from these volunteers, OC Animal Care and its extensive network of foster caretakers and rescue organizations have saved thousands of underage kittens.

The June 2014 Consultation Report recommended "increasing the volunteer program to provide additional support to staff" since OCAC was not currently meeting standards regarding minimum staffing levels needed to properly care for the animals on site and because significant staffing increases were unlikely to occur in the short-term.

Shelter duties that volunteers could do but are currently not permitted to perform include:

- Cleaning and sanitizing kennels of adoptable dogs and cats;
- Helping the public visit with adoptable animals;
- Maintaining shelter flowerbeds;
- Sweeping and hosing the shelter;
- Working on shelter beautification projects; and
- Helping with certain facility projects.

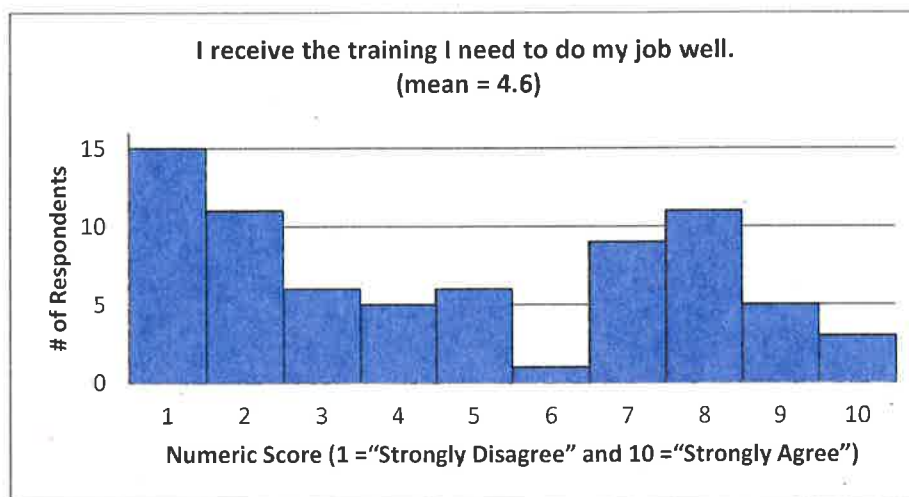
Recommendation 25: OC Animal Care management should expand the list of volunteer activities to include additional duties at the Animal Shelter, such as assisting with public visits and shelter beautification projects.

I. Professional Development

At OCAC, certain job functions receive extensive training, while others receive only limited, on-the-job training. Due to a lack of training opportunities, staff may not be fulfilling their job duties as

efficiently as possible. As discussed in greater detail in Section B. Field Services, Animal Control Officer Trainees receive several months of comprehensive classroom and field training before working in the field.

As part of the audit process, the auditor invited all OCAC employees to participate in an anonymous online survey. As part of the survey, employees were asked to what extent they agreed with the statement: *I receive the training I need to do my job well.* On a scale of 1 to 10, with 1 being "Strongly Disagree" and 10 being "Strongly Agree", the average score was 4.6, with 26 of 72 respondents (36%) providing scores of 1 or 2, indicating strong disagreement.



With the exception of field operations staff, OCAC employees receive limited formal training opportunities. OCAC does not have a formal internal training program. Veterinary staff could provide training tutorials to field and kennel staff regarding the latest best practices in the industry, and staff could routinely be updated on new information and best practices developed by experts in the field, such as the UC Davis Koret Shelter Medicine Program, which routinely publishes reports and information sheets that may be relevant to OCAC staff. Similarly, volunteers who do not receive ongoing training could benefit from such training sessions led by OCAC staff. A lack of resources was one reason cited for the lack of training opportunities. Additionally, there is at least one OCAC Policy and Procedures (P&Ps) related to staff training with which OCAC is not in compliance.

Recommendation 26: OC Animal Care management should ensure that all training sessions required by law or OCAC policy are completed by staff.

Recommendation 27: OC Animal Care management should develop formal training opportunities for staff on relevant topics including both technical skills and soft skills.

J. Enterprise Application Software System

OCAC uses Chameleon/CMS® ("Chameleon"), an enterprise application software system, to assist with most aspects of its operations, including animal records, kennel operations, field operations, clinic activities, and licensing activities. The Chameleon software is based on SQL database language and can collect information on all aspects of OCAC's operations. Data collected by the system is then used to populate hundreds of reports using a reporting program called Crystal Reports.

Chameleon is one of the more popular off-the-shelf systems in the industry. However, there are certain functional limitations of the system, including that it is not linked to the County's accounting system, CAPS+. OCAC has evaluated alternatives to Chameleon, including developing a new system in-house, but has no current plans to pursue an alternative.

OCAC staff is generally trained to use certain aspects of Chameleon to fulfill their day-to-day job duties, including running standardized reports that have been developed with the assistance of OC Community Resources/Information Technology, the Chameleon vendor, and OCAC staff. In the past, OCAC staff received formalized training that including training on how to develop reports using Crystal Reports, but presently only a few people at OCAC have the technical training to effectively utilize the full functionality of these systems.

OCAC staff may not have the technical training to understand how to assess and validate data and summary reports. Below is a brief case study to illustrate this issue.

Case Study: Chameleon Report & Data Integrity Issues.

OCAC staff can run standardized reports using Chameleon and Crystal Reports that provide Average Field Activity Response Times by Call Priority over a designated timeframe. The former Director of OCAC acknowledged using these reports to monitor the performance of the Field Operations Division. Over the course of the audit, it was determined that some of the formulas within these reports were inaccurate. For example, a report of Response Times for Priority 6 Field Activities indicated average response times by month of three to four hours and no response times that exceed 48 hours. Based on this information, one might conclude that low priority response times were actually quite good. However, response times for Priority 6 calls frequently and consistently

exceed several days. If management used these reports to assess OCAC's operational efficiency, it would have based decisions on bad information.

Additionally, the quality of some of the data contained in Chameleon is in question. For example, a review of intake data from FY 2012 to FY 2014 found that of animals that were dead at the time of impound, one was adopted, one escaped, and twenty were returned to the wild. Additionally, in various instances, completed events have time stamps of dates in the future.

Recommendation 28: OC Animal Care management should identify dedicated data analytics resources/personnel within OC Animal Care to coordinate all operational aspects of the OC Animal Care's enterprise software systems (i.e., Chameleon and Crystal Reports).

Recommendation 29: OC Animal Care management should establish regular training sessions on its enterprise software systems for all relevant employees, including all management and administrative staff.

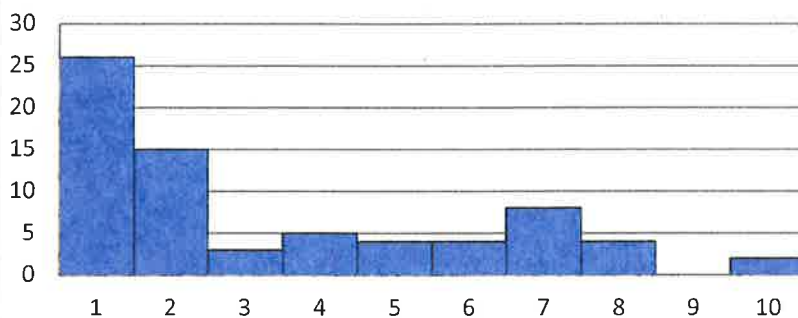
Recommendation 30: OC Animal Care management should conduct a review of existing system controls and take appropriate measures to ensure data integrity (e.g., enhance logic/limits of certain fields to ensure proper data entry).

K. Internal Communications

Based on staff interviews and the survey conducted as part of this audit, many OCAC employees do not believe that information and knowledge are shared effectively and believe that the department lacks a sense of teamwork.

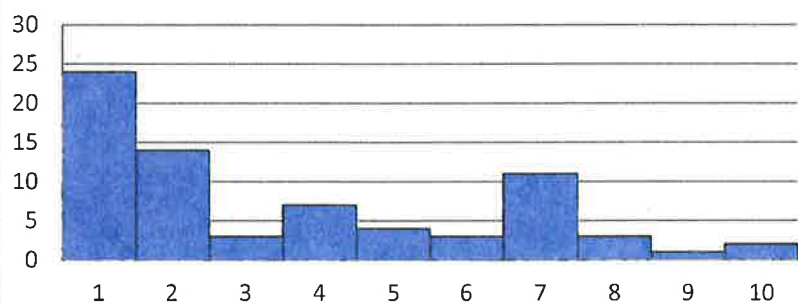
The following are survey results related to communications and staff morale:

There is good communication between management and staff.
(mean = 3.3)



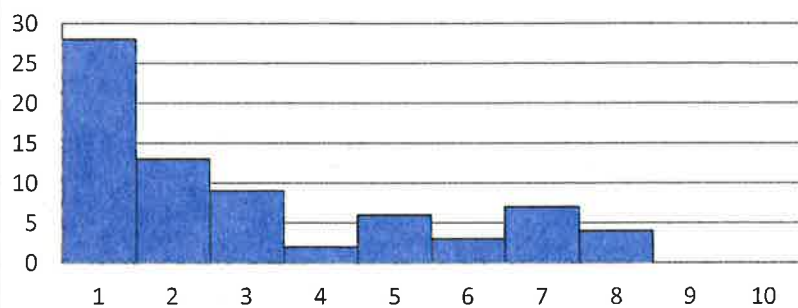
*Rating of 1 represents "Strongly Disagree" and rating of 10 represents "Strongly Agree."

Information and knowledge are shared openly among staff.
(mean = 3.5)



*Rating of 1 represents "Strongly Disagree" and rating of 10 represents "Strongly Agree."

There is a strong feeling of teamwork and cooperation in this organization.
(mean = 3.0)



*Rating of 1 represents "Strongly Disagree" and rating of 10 represents "Strongly Agree."

Regarding all three statements, more than 50% of respondents provided scores of 1 or 2, indicating strong disagreement.

Historically, the Director of OCAC held all-hands staff meetings, but at some point prior to the start of this audit, those meetings were discontinued.

Surveys similar to the one used during this audit can highlight issues within an organization that might not otherwise be readily apparent. While OCAC currently does not survey its employees, during the audit OCAC management expressed support for developing a similar tool to routinely monitor staff morale and how employees feel OCAC is doing operationally.

Recommendation 31: OC Animal Care management should hold all-hands staff meetings at least every quarter.

Recommendation 32: OC Animal Care management should provide an anonymous survey to staff annually in order to monitor staff morale and identify opportunities for improvement and report and track the results.

L. Key Performance Indicators

OCAC tracks and reports certain Key Performance Indicators (KPIs), as shown in the following graphic. However, based on discussions with OCAC management, staff does not regularly track other types of data that could be used for decision-making. Management has not prioritized the use of data for decision-making. OCAC does not evaluate trends in its operation, such as field service response times and may be unable to quickly identify operational issues.

Based on the Balanced Scorecard results, it appears that OCAC either met or exceeded its targets in 12 of 17 categories. However, it may be appropriate for management to reevaluate the existing performance targets. For example, the target for Owner Redemption Rate for cats is 2%. For FY 2012, OCAC met this apparently low target.

Also, though several years of OCAC's statistics can be found on its website at <http://ocpetinfo.com/about/stats>, there appear to be some inconsistencies in the data. For example, euthanasia numbers on the OCAC Impound Summary vary between data tables. The discrepancies may be attributable to issues related to OCAC's database, which is discussed in greater detail in Section IV.J Enterprise Application Software System. Inconsistencies in the reported data may cause people to question the overall integrity of the information.

OC Community Resources 2013 Business Plan Update Balanced Scorecard Summary

		Performance Results for FY 2011-12					
Trend (FY 10-11 vs. FY 11-12)		Exceeds Target	Meets Target	Below Target			
Improve:  Same:  Decline: 							
OC Animal Care							
Service Area: Public Safety							
Total percentage of licensed dogs spayed and neutered							
Total number of dog licenses issued							
% of total potentially adoptable impounded Cats spayed or neutered at the shelter							
% of total potentially adoptable impounded Dogs spayed or neutered at the shelter							
% of total potentially adoptable impounded Rabbits spayed or neutered at the shelter							
Response time for priority calls 1 & 2 (humans and animals at risk)							
Service Area: Humane Treatment of Animals							
Adoption rate (Cats)							
Adoption rate (Dogs)							
Adoption rate (Rabbits)							
Owner redemption rate (Cats)							
Owner redemption rate (Dogs)							
Owner redemption rate (Rabbits)							
Customer satisfaction							
Service Area: Community Outreach & Education							
Total number of volunteer hours							
Total classes/programs/events							
Total attendees to classes/programs/events							
% of total adoptions via rescue groups							

1

Recommendation 33: OC Animal Care management should periodically evaluate performance targets, and track and report Key Performance Indicators relevant to OCAC's mission and primary operating objectives.

Recommendation 34: OC Animal Care management should establish quality assurance procedures to ensure that information reported on OCAC's website is accurate and consistent.

V. Conclusion

For years, OC Animal Care has been impacted by increasing demand for animal control and shelter services with limited resources, caused mainly by population growth within the County, an aging shelter, and vacant positions due to financial constraints of the County as well as Contract Cities. With dedicated employees and volunteers, OCAC has done a reasonable job coping with these financial and operational constraints, but more can be done.

This audit report contains 34 recommendations that will enhance OCAC's operational effectiveness and efficiency by improving operating practices, restructuring OCAC's organization, and improving utilization of technology. These recommendations include:

- Establishing scheduled visiting hours at the Shelter;
- Improving efficiency of the Canvassing Group;
- Developing new revenue opportunities;
- Enhancing the Volunteer Program; and
- Increasing training and development opportunities for staff.

The complete list of audit recommendations, as well as management responses thereto, can be found in Appendix A of this report.

As a result of discussions with the audit team during the course of the audit, OCAC management has already taken steps to begin implementing a number of the audit recommendations.

VI. Appendices

A. Recommendations & Management Response

March 2, 2015

STEVE FRANKS
DIRECTOR
OC COMMUNITY RESOURCES

JENNIFER HAWKINS, DVM
INTERIM DIRECTOR
OC ANIMAL CARE

KAREN ROPER
DIRECTOR
OC COMMUNITY SERVICES

STACY BLACKWOOD
DIRECTOR
OC PARKS

HELEN FRIED
COUNTY LIBRARIAN
OC PUBLIC LIBRARIES

Phillip Cheng, Director
Office of Performance Audit

Dear Mr. Cheng:

RE: PERFORMANCE AUDIT REPORT OF OC ANIMAL CARE

We are pleased to provide responses to the recommendations contained in the performance audit report of Orange County Animal Care. We appreciated the significant time and effort devoted to this project to determine the accuracy of data, evaluate current practices, and research industry standards in order to provide timely and relevant recommendations by the lead auditor, Brian Rayburn.

We appreciate the support for the attention to challenges that have been previously identified and continue to be addressed, and we welcome recommendations to increase efficiency and effect positive change within Orange County Animal Care. While we concur with the majority of the recommendations, many items will require financial analysis and consultation with the County Executive Office and our contract cities which may affect target completion dates and implementation of recommendations.

We would like to thank the Office of the Performance Auditor for their time and dedication to the integrity of this project, for the courtesies extended to the Orange County Animal Care department managers and staff throughout the audit process, and for validating much of which we are already doing. We are available to meet with your office to discuss any and all responses provided herein. Please feel free to contact me at 714-480-2788 or Dr. Jennifer Hawkins at 714-796-6417.

Respectfully yours,



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1770 NORTH BROADWAY
SANTA ANA, CA 92706-2642
PHONE: 714.480.2788
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Steve Franks, Director
OC Community Resources

3/2/15
Date

c: Dr. Jennifer Hawkins, Interim Director, OC Animal Care
JH:SF:ye

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 1: OC Animal Care management should develop long-term financing agreements, separate from its existing operating agreements, with Contract Cities for the construction of any new animal shelter.	Concur	<u>In process</u> - The plan is to develop long-term financing agreements, separate from existing operating agreements, with Contract Cities for the construction of the new animal shelter. Such discussions with the Contract Cities have been in process since 2013.	Simultaneous with land acquisition.
Recommendation 2: OC Animal Care management should periodically review kennel staffing levels and schedules to ensure that it meets industry standards.	Concur	<u>In process</u> - Recruitment and fiscal challenges have prevented OCAC from keeping Kennel Attendant positions filled. Due to recruitment constraints, we have had to utilize Extra Help to cover shortages. We will continue to justify and request additional positions and will continue to work with the Contract Cities on staffing requirements and the related costs.	January 2016
Recommendation 3: OC Animal Care management should develop policies and procedures to allow for scheduled owner surrenders to better manage shelter capacity.	Concur	OCAC recognizes the industry trend towards appointment systems for owner surrenders. Currently restrictions on owner surrenders are a seasonal issue only occurring during the busy summer months. Restrictions on owner surrenders are used to manage shelter capacity. OCAC must have kennels available for stray animals that we are legally required to impound. OCAC will evaluate processes to balance these competing demands on shelter capacity	August 2015

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 4: OC Animal Care management should track and report statistics related to capacity constraints and the spread of disease within the shelter on a routine basis.	Concur	In process - The default status of all animals in the Chameleon database is "normal" until evaluated by veterinary staff. Medical status entered in a medical screen isn't accessed by statistical reports. OCAC is updating the process to enter medical condition in the screen currently used to record "intake condition" to track animals that have medical conditions upon impound.	February 2016
Recommendation 5: OC Animal Care management should develop a short-term plan in collaboration with Contract Cities to complete critical maintenance projects, including repairs/replacement of the dog kennel doors and retrofit/replacement of the existing cat housing.	Concur	In process - OCAC has developed a list of critical maintenance projects and has started working on completing these projects. These projects will be completed as funding permits. All of these critical maintenance projects, as well as other new ones that will arise in a facility of this age, will be communicated to the Contract Cities.	On-going
Recommendation 6: OC Animal Care management should establish daily visiting hours for a single, continuous period of time, and post those hours at the entrance to the Shelter and on its website.	Concur	In process - OCAC currently has established visiting hours. OCAC's goal is to maintain adequate staffing and to communicate visiting hours to the public, however, due to unexpected constraints there will occasionally be days when the visiting hours are changed. Visiting hours are posted daily in the Customer Service office and will also be posted visiting hours on the website.	June 2015

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 7: OC Animal Care management should expand the authority of the Chief of Veterinary Services to include oversight of all medical aspects of OCAC operations by combining the position with either the Director of OC Animal Care position or the recently created Assistant Director of OC Animal Care position.	Concur	Implemented - A Chief of Veterinary Services was hired in November of 2014 and now serves as Interim Director. The Chief Veterinarian will continue to have authority over all medical aspects of OCAC operations even after the selection of the permanent OCAC Director.	June 2015
Recommendation 8: OC Animal Care management should establish a policy to allow the public to begin the process of adopting an animal prior to that animal being spayed or neutered.	Partially Concur	In process - It is the policy of OC Animal Care to alter every dog prior to being made available for adoption; exceptions are made for various reasons. Those exceptions create a back log for preemptive surgeries as well as unaltered dogs that have already been adopted awaiting surgery. OCAC will continue to prioritize a procedure that will allow the identification of the dogs that people have shown the most interest in and use this information to help prioritize surgical candidates to promote adoptions.	October 2015
Recommendation 9: OC Animal Care management should establish a policy that prioritizes which animals get spayed/neutered and makes adopted animals a high priority.	Concur	In process - This practice is ongoing at OC Animal Care. Staff monitors the animal population daily to determine whether animals will receive pre-empted spay/neuter surgery, as is common practice among shelters, or be first placed for adoption. A formal policy will be written to document current practice and ensure continuity moving forward.	October 2015

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 10: OC Animal Care management should establish response time goals for all call priorities.	Partially Concur	OCAC is not a primary or first responder to emergencies. Response times vary depending upon workload, staffing, and seasonal fluctuations. Although useful in measuring performance, response time goals are not indicative of humane treatment of animals or best practices. Goals/targets will be developed to assist in determining staffing levels.	March 2016
Recommendation 11: OC Animal Care management should direct the Canvassing Unit to handle licensing checks on behalf of the Field Services group, when appropriate.	Concur	The Canvassing/Customer Services department currently follows up on delinquent licensing for Field Services utilizing an In-House collection system that doesn't involve any staff members attempting to collect monies at the door. In order for the Canvassing Unit to resume licensing enforcement duties, which includes issuing citations, OCAC will work with Risk Management and Human Resources to evaluate significant safety concerns.	February 2016
Recommendation 12: OC Animal Care management should formalize the use of seasonal staff or other staff resources to handle the increased volume of new dead animal pick up requests during specific high-volume months of the year.	Partially Concur	The call volume was higher than normal in 2014 due to significant staffing shortages as a result of critical position vacancies going unfilled for an inordinately lengthy period. Evaluating the feasibility of hiring a seasonal ACO will require data study to justify cost vs. long-term need.	March 2016

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 13: OC Animal Care management should evaluate whether any other field activities could be completed by other staff or by other means (e.g., over the phone) and, if appropriate, modify the relevant policies and procedures.	Concur	<u>In process</u> - We currently utilize phones to complete certain types of calls (home quarantine releases, licensing, etc.). We also have letter templates in use that were developed to mail out in response to certain activities (stray habitual, dog curbing). We will reevaluate the use of other staff as a possible solution to assist with call volume.	December 2015
Recommendation 14: OC Animal Care management should develop approaches to enhance the cost effectiveness of the canvassing program by utilizing Chameleon.	Concur	<u>In process</u> - In January 2015, Canvassing staff began entering all activities into Chameleon. This allows for faster follow-up and billing on licenses. We are currently entering all data for the 2014/15 fiscal year in order to have complete statistical information for our Contract Cities. OCAC will be able to measure how many licenses were sold as a result of dogs that were identified via canvassing their residence versus those that were left a delinquent notice by staff. Additionally, we will also be able to track how responsive customers are to the notices left at the door as compared to the follow-up letter which contains stronger language. Procedures will be adjusted as needed based upon the findings of this data analysis.	December 2015

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 15: OC Animal Care management should make the following modifications to the Canvassing Unit: (1) Move the Canvassing Unit from Administrative Services to Field Services, (2) Direct canvassing staff to handle all license checks, when appropriate, and (3) Schedule canvassers seven days a week.	Partially Concur	Previously the Canvassing Unit was part of Field Services; however, it was moved to the Licensing/Customer Service Unit in 2012 in an effort to improve employee safety in the field. Canvassers do much more than licensing enforcement. They also deliver vital public education information. If Canvassing were put back under Field Services in an enforcement capacity, it would require a re-evaluation of their safety concerns, assessment of classification, training, span of control, equipment needs, and labor discussions. We will evaluate all the factors involved in such a re-organization and determine its feasibility. OCAC plans to implement a Monday through Saturday work schedule for canvassers, and will evaluate Sunday canvassing.	March 2016
Recommendation 16: OC Animal Care management should investigate the impact of issuing multi-year licenses for up to three years and, if appropriate, work with County Counsel to develop revised language to Orange County Ordinance Section 4-1-70 and present those revisions to the Board of Supervisors for its consideration.	Partially Concur	Multi-year dog licenses could be a good product to offer customers. A process must be developed where multi-year revenue can be retained, and applied to expenses incurred during each year of the multi-year dog license. Furthermore, there would have to be a process in place so that revenue for future years could be tracked by jurisdiction, in order to utilize the reserved revenue to offset the appropriate city's costs in future years. We will re-evaluate this issue and assess its feasibility.	July 2016

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 17: OC Animal Care management should work with County Counsel to develop revisions to Orange County Ordinance Section 4-1-85 to require that all domestic cats within the County of Orange be licensed and present those revisions to the Board of Supervisors for its consideration.	Partially Concur	While the concept of licensing cats is a way to help ensure cats have an increased chance of being redeemed by an owner, there are other variables that require consideration. Among those is the enforcement of licensure in cats and the resources (staffing) required to administratively support such licensure, as well as challenges of owner accountability for community cats. It is unclear what response cat owners may have to a mandate for cat licensure as veterinary statistics report over twice as many cats than dogs are never even brought to a veterinarian, which suggests some people may value cats less than dogs. We will survey other jurisdictions with mandatory cat licensing and evaluate its service and cost implications.	September 2016
Recommendation 18: OC Animal Care management should work with the Treasurer-Tax Collector to evaluate the effectiveness of its various collection activities and, if appropriate, implement new ones to reduce costs.	Concur	<u>In process</u> - Discussions with the TTC about their collection activities are on-going. Discussions are continuing regarding collection processes relative to identifying ways to reduce costs and increase effectiveness.	October 2015
Recommendation 19: OC Animal Care management should develop a formal policy for how it utilizes the Treasurer-Tax Collector in its collections effort.	Concur	A formal MOU will be developed upon completion of actions noted Recommendation 18.	November 2015

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 20: OC Animal Care management should track the corresponding jurisdiction of all accrued but uncollected revenue, periodically (e.g., quarterly) provide that information to the Contract Cities, and, if appropriate, adjust billings accordingly.	Concur	<u>In process</u> - With the switch to a cash basis accounting system (See Recommendation 21), OCAC revenue will be recorded when received and not when billed. As such, there will no longer be new, uncollected revenue after the effective date of the switch to cash basis. The accumulated, uncollected revenue prior to 7/1/2015 is being reversed and charges to the cities adjusted accordingly over the next four to five years.	Reverse accumulated uncollected revenue- four to five years.
Recommendation 21: OC Animal Care management should work with the Auditor-Controller to develop a plan to move from an accrual accounting basis to a cash accounting basis.	Concur	<u>In process</u> - The Auditor-Controller gave tentative approval for OCAC to move fee based revenue from an accrual basis to a cash basis in May 2014. The target implementation date is 7/1/2015.	July 2015
Recommendation 22: OC Animal Care management should formally request that the Auditor-Controller establish a dedicated donation fund for OCAC.	Concur	<u>In process</u> - OCAC previous requests for a dedicated donation fund were not approved by the Auditor-Controller. With the change in the elected Auditor-Controller we will re-submit this request and work with the Auditor-Controller to meet our needs for a dedicated donation fund as well as Auditor-Controller requirements.	September 2015
Recommendation 23: OC Animal Care management should continue to work with OCCR and CEO/Real Estate to establish a marketing plan that would allow OC Animal Care to pursue private sponsorships.	Concur	<u>In process</u> - A marketing plan was developed by OCCR in January 2014 but was put on hold per the CEO. Subsequently, CEO approval to agendize the proposed plan for Board consideration was approved. This item is set for a March 2015 Board agenda.	February 2016

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 24: OC Animal Care management should modify the volunteer onboarding process to (1) require all potential volunteers to complete the volunteer application, including a consent to the requisite background check, as part of the initial RSVP process; (2) allow prospective volunteers to RSVP at any time; and (3) include those potential volunteers in the earliest possible orientation session.	Concur	OCAC will implement this recommendation.	September 2015
Recommendation 25: OC Animal Care management should expand the list of volunteer activities to include additional duties at the Animal Shelter, such as assisting with public visits and shelter beautification projects.	Concur	OCAC currently hosts several volunteer beautification days at the shelter each year. Volunteers paint, garden and spruce up areas around the shelter. OCAC will determine if there are additional duties that can be assigned to the volunteers, and potential labor relations and liability issues. OCAC will consider the type of training required for the volunteers, who would supervise them in their new duties and how they would be scheduled. OCAC to determine the level of volunteer interest and if they would be willing to perform these additional duties.	December 2015
Recommendation 26: OC Animal Care management should ensure that all training sessions required by law or OCAC policy are completed by staff.	Concur	<u>In process</u> - At this time, OC Animal Care policies are currently being audited for relevance and consistency with industry and legal standards. When completed, training sessions will be amended as needed.	January 2016

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 27: OC Animal Care management should develop formal training opportunities for staff on relevant topics including both technical skills and soft skills.	Concur	In process - Training programs are being reviewed and updated to provide additional training to staff beyond their basic duties.	January 2016
Recommendation 28: OC Animal Care management should identify dedicated data analytics resources/personnel within OC Animal Care to coordinate all operational aspects of the OC Animal Care's enterprise software systems (i.e., Chameleon and Crystal Reports).	Partially Concur	As OC Animal Care's programs have grown in scope and complexity, so has our need for a dedicated data analytics position. OCAC will work with CEO Human Resources and Budget to determine the viability of adding an additional position to our department.	January 2016
Recommendation 29: OC Animal Care management should establish regular training sessions on its enterprise software systems for all relevant employees, including all management and administrative staff.	Concur	In process - Each unit at OC Animal Care currently trains personnel on proper Chameleon data entry and Chameleon related policies and procedures. New employees receive Chameleon training and all employees receive additional training when procedures or policies are updated or changed. Employees also receive refresher training when error reports show recurring data entry errors. OCAC will establish regularly scheduled refresher training for all staff.	December 2015

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 30: OC Animal Care management should conduct a review of existing system controls and take appropriate measures to ensure data integrity (e.g., enhance logic/limits of certain fields to ensure proper data entry).	Concur	<u>In process</u> - OCAC management staff will evaluate current reports to ensure their data integrity. Additionally, we will review fields in Chameleon to see which ones could be changed to Validated Lists to control the text choices staff has for data entry. We will also work with IT to assess the list of automated Postmaster Error Reports that we currently have pending to ensure it is still relevant and to add additional criteria. This is an ongoing project that we have been working on with IT and Chameleon since 2011.	November 2015
Recommendation 31: OC Animal Care management should hold all-hands staff meetings at least every quarter.	Concur	Quarterly all-hands meetings will be held.	June 2015
Recommendation 32: OC Animal Care management should provide an anonymous survey to staff annually in order to monitor staff morale and identify opportunities for improvement and report and track the results.	Concur	A survey will be provided to all staff on an annual basis.	January 2016
Recommendation 33: OC Animal Care management should periodically evaluate performance targets, and track and report Key Performance Indicators relevant to OCAC's mission and primary operating objectives.	Concur	<u>In process</u> - Key Performance Indicators were established in 2008. As our programs evolve and as targets are met, new indicators are established. These indicators will be reviewed annually to evaluate performance targets.	December 2015

Recommendation	Management Response (Concur/Partially Concur/Do Not Concur)	Management Action Plan	Target Completion Date
Recommendation 34: OC Animal Care management should establish quality assurance procedures to ensure that information reported on OCAC's website is accurate and consistent.	Concur	We will meet with shelter management and supervisors to review the contents of the shelter website to ensure that the information posted is accurate. In addition, we will develop a procedure to regularly review the website to ensure continued accuracy.	September 2015

B. List of Local Shelters

Coastal Animal Services Authority
Dana Point
San Clemente
Inland Valley Humane Society
La Habra
Irvine Animal Care Center
Irvine
Laguna Beach Animal Services
Laguna Beach
Laguna Woods
Long Beach Animal Care Services
Los Alamitos
Mission Viejo Animal Services
Aliso Viejo
Laguna Niguel
Mission Viejo
OC Animal Care
Anaheim
Brea
Cypress
Fountain Valley
Fullerton
Garden Grove
Huntington Beach
Laguna Hills
Lake Forest
Orange
Placentia
Rancho Santa Margarita
San Juan Capistrano
Santa Ana
Stanton
Tustin
Villa Park
Yorba Linda
Unincorporated
Orange County Humane Society
Costa Mesa
Newport Beach
Seal Beach Animal Care Center
Seal Beach
Southeast Area Animal Control Authority (SEAACA)
Buena Park
La Palma
Westminster Veterinary Group
Westminster

C. FY 1998-99 Strategic Financial Plan Document

ATTACHMENT 5

REVISED STRATEGIC PRIORITIES ANALYSES

*FY 1998-99 Strategic Financial Plan Update
Continuing Strategic Priority #1*

1 • ANIMAL SHELTER RELOCATION

I. DESCRIPTION OF ISSUE:

The Animal Shelter is the base of County operations for providing animal control and shelter services to the unincorporated areas of Orange County and 20 contract cities. This facility is located in the County's Manchester Complex in the City of Orange.

Two factors may cause the County to relocate the Animal Shelter:

1. The Animal Shelter is located adjacent to the Theo Lacy Branch Jail. The final build-out plans for expanding Theo Lacy have been structured in four phases which can be implemented as funding becomes available. Completion of the fourth phase requires the Animal Shelter to be relocated in order to provide space for parking. Unless a new funding source for jail construction and operations is developed, it is anticipated that the earliest phase four will begin in the year 2004.
2. The City of Orange has plans to extend Metropolitan Drive to improve access to the City Shopping Center which is currently being redeveloped. The Animal Shelter is located in the right-of-way that is required to extend the road. The County has agreed that the Animal Shelter can be relocated when the City needs the right-of-way for construction of the road extension. Officials from the City of Orange have indicated that the City is not likely to have funding for the extension of Metropolitan Drive within the next 10 years so it appears that the Theo Lacy expansion project will initiate the relocation of the Animal Shelter.

II. PLAN TO ADDRESS ISSUE:

The County is currently examining relocation and service delivery options with the contract cities. The plan for relocating the Animal Shelter is to construct a new facility at the MCAS Tustin. In 1995, the County submitted a request to the MCAS Tustin Local Reuse Authority (LRA) for a conveyance of land for the relocation of the Animal Shelter. The LRA approved 4 acres of land for the Animal Shelter within the proposed boundaries of an urban regional park. This land will be available to the County when the Marines close the base which is expected to be in 1999.

Health Care Agency (HCA) is currently working with the contract cities to develop long-term contracts for the County to provide animal control and shelter services to those cities. These long-term contracts will include sharing the cost of design and construction of the new Animal Shelter. The city representatives have indicated that they are willing to reach a long-term agreement for the new Animal Shelter by the end of FY 1998-99. At that time, the number of cities agreeing to long-term service contracts will be known and the size of the new facility can be designed based on the number of cities that will be served by the facility.

*FY 1998-99 Strategic Financial Plan Update
Continuing Strategic Priority #1*

Design of the new facility is anticipated to take about 14 months and construction is estimated to take about 20 months (including 4 months to advertise, bid, and award the contract). If design starts in the beginning of FY 1999-00, the facility would be completed by the end of FY 2001-02 which should not impact the expansion of Theo Lacy.

III. COST ESTIMATES:

1. **One-Time Costs:** One-time costs for this project include design (including CEQA costs), construction, and move-in costs (including communications lines, furnishings, and moving costs). Design is estimated to cost \$700,000, construction is estimated to cost \$5,900,000, and move-in costs are estimated to cost \$490,000.
2. **Ongoing Costs:** This project will relocate existing staff and operations to a new facility. There are no increased ongoing operating costs anticipated.

IV. FUNDING SOURCES:

If the relocation option is selected, the contracts with the cities will include provisions for sharing the cost of design and construction of the new Animal Shelter. The exact terms of the contracts are not known at this time. For the purpose of developing cost estimates for the long-range strategic plan, it is assumed:

1. Since the unincorporated areas of the County use about 10% of the services provided at the Animal Shelter, the County will continue to pay an estimated 10% of the annual costs and the cities will pay an estimated 90% of the annual costs.
2. The County will front the cost for design in FY 1999-00.
3. Cities fund about 90% of the existing Animal Shelter's cost. This includes depreciation on the existing facilities. Therefore, it is estimated that the cities have a 90% equity share in the existing facilities. Since the County is relocating the Animal Shelter to accommodate jail expansion, it is assumed that the cities' share of the construction cost of the new facility would be partially offset by their equity share in the existing facilities.
4. The County will finance the cost for construction over a 10 to 15 year period and be reimbursed by the cities over a 10 to 15 year period. Annual debt service, based on a 10-year period is estimated to be \$975,000. Cities' share is currently under negotiation.
5. Move-in costs will be incurred in FY 2001-02. Costs will also be shared by the cities and the County.

The County has \$5 million budgeted in Agency 15S which was set aside in 1995 for the Animal Shelter relocation in case the County could not access the financial markets to

FY 1998-99 Strategic Financial Plan Update
Continuing Strategic Priority #1

borrow funding when the jail project was ready to proceed. This \$5 million can be used to front the funds for design in FY 1999-00. The remainder of the \$5 million can be used to pay the County's share of debt service beginning in FY 2001-02 and to pay for the County's share of move-in costs in FY 2001-02. Therefore, for strategic planning purposes, no additional funding will be necessary based on the assumptions listed above. If the assumptions change as a result of negotiations with the cities, the CEO will revisit the funding plan.

V. STAFFING IMPACT:

No additional staffing is required to relocate the Animal Shelter.

1 - Animal Shelter Relocation										
	FY 08-09 Budget	FY 09-10	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08 Total
I. Costs										
One-Time Costs										
Design	700,000									700,000
Books Service			322,375	977,375	979,865	975,410	979,170	975,645	974,995	977,330
Move-in Costs				490,000						7,182,185
Subtotal One-Time Costs	700,000	0	322,375	1,467,375	979,865	975,410	979,170	975,645	974,995	8,352,165
Ongoing Costs										
Salaries & Employee Benefits										
Services and Supplies										
Other Charges										
Fixed Assets										
All Others										
Subtotal Ongoing Costs	0	0	0	0	0	0	0	0	0	0
Total FY Cost	700,000	0	322,375	1,467,375	979,865	975,410	979,170	975,645	974,995	8,352,165
II. Non-General Fund Revenue										
Fees										
Leases Permits, Franchises										
Fines, Penalties, Penalties										
Use of Money and Property										
Intergovernmental Revenues										
Charges for Services										
Miscellaneous Revenue***		430,000								430,000
Other Financial Services (NFS)	700,000		322,375	977,375	979,865	975,410	979,170	975,645	974,995	8,352,165
Total Non-General Fund Revenue	700,000	430,000	322,375	1,467,375	979,865	975,410	979,170	975,645	974,995	8,352,165
III. General Fund Requirement**										
IV. Staffing										
New Regular Positions										
New Limited Term Positions										
Total New Positions	0	0	0	0	0	0	0	0	0	0
*Interest payment only in FY 2009-01										
**Reimbursement for design is made to the General Fund										
*** Actual City/County status currently under negotiation										
RD	12/28/09									
BR-14501.25										

D. 2014 Shelter Consultation Summary Report



Orange County Animal Care

Shelter Consultation Summary

June 16, 2014

JVR Shelter Strategies, LLC

www.shelterstrategies.com

Dr. Jyothi V. Robertson
Dr. Chumkee Aziz
Virginia Butler

2014 Consultation for Orange County Animal Care

Thank you for inviting JVR Shelter Strategies and the Koret Shelter Medicine Program at UC-Davis to Orange County Animal Care on June 16, 2014. UC-Davis provided recommendations for improvement during a previous shelter consultation in late 2007. Our recent consultation noted areas of improvement, recommended during the 2007 consult, including the implementation of a trap-neuter-release (TNR) program for feral cats and increased surgery hours to reduce the length of stay for animals. Orange County AC has additional strengths to draw and build upon, including a diverse population of highly adoptable animals, as well as a proficient veterinary staff.

This consultation was limited in scope to medical services and those areas we were able to observe during a one day-site visit. The recommendations made here are based on current best practices and available research. As such, it is important for management to recognize that shelter medicine is a constantly growing field that is developing new research daily. Policies and procedures should be continuously evaluated in the context of OCAC's population data to assure that practices adopted are creating a positive impact and increasing the number of lives saved while working within the "care-ing capacity" of the organization. As new research occurs, some of the recommendations in this document may need to be modified to better serve the animals in the organization.

Outlined below is a list of observations noted during our recent visit along with correlating immediate, short-term, and long-term recommendations/goals. Overarching areas requiring improvement include population management/flow, infectious disease prevention, dog and cat housing, and medical care strategies. Recommendations have been provided to help achieve immediate goals. Please use the additional resources listed below and/or contact us for assistance in achieving longer-term goals.

Contact information

- Jyothi Robertson, DVM jvr@shelterstrategies.com
- Chumkee Aziz, DVM mcaziz@ucdavis.edu

Primary Reference Material

1. Association of Shelter Veterinarian's (ASV) Guidelines for Standard of Care in Animal Shelters, 2010, <http://www.sheltervet.org/about/shelter-standards/>
2. Previous UC-Davis Consult for Orange County Animal Care, 2007

Additional Resources

1. UC-Davis Koret Shelter Medicine Program – sheltermedicine.com
2. University of Florida Maddie's Shelter Medicine Program
<http://sheltermedicine.vetmed.ufl.edu/>
3. ASPCAPro – <http://aspcapro.org/>
4. Association of Shelter Veterinarians – www.sheltervet.org

Summary of Key Recommendations

1. A concerted effort must be taken to manage the population by using statistical analysis to determine optimal flow of animals. By analyzing capacity and outcome data, OCAC can allocate appropriate staffing, housing units, and outcome pathways to maximize their resources. The ultimate goal is to increase lives saved while working within the shelter's capacity to care for those animals in its facility. Capacity for care is determined in a multi-factorial fashion and requires understanding the population of animals within the shelter, the resources available, as well as how outcome and intake decisions are currently made. Operating within an organization's capacity for care leads to reduced incidence of disease and improves the overall welfare of all animals.
2. Track the rate of infectious disease in the shelter; use these calculations to quantify the impact of policy changes.
3. Implement daily rounds to monitor each animal's medical and behavioral well-being; this ensures that each animal is moved through the shelter as quickly and efficiently as possible.
4. Consider implementing open selection to allow all animals in the shelter, even those in their stray hold period, to be seen by the public and pet placement partners. This will decrease the length of stay for many animals by prioritizing animals needing surgery or behavioral evaluations or other processes that can otherwise slow down population flow in the shelter.
5. Implement a system of managed, or appointment-based, intake for owner-surrendered animals. Managed intake is based on the shelter's capacity to care for each animal and allows the shelter to gather more detailed and reliable information about the relinquished animal, which can then be used to determine the most appropriate outcome for the animal. Consider stopping the intake of healthy cats beyond the number that can be released alive. Continue to use TNR for feral cats and build relationships with third-party TNR groups to more efficiently coordinate live releases for ferals. Move towards shelter-neuter-release (SNR) for community cats that are brought in as strays if they are unlikely to have other live release outcomes.
6. Separation of species in housing areas is required; this reduces stress for all animals and lowers the chance of infectious disease transmission between species.
7. Ensure that the animals most vulnerable to acquiring infectious disease in the shelter (puppies and kittens) are moved into foster care as soon as possible. Never house a puppy or kitten within the general population.
8. Improve cat housing, cleaning/disinfecting protocols of cat housing, and medical strategies for treating feline upper respiratory infection (URI) to increase cat welfare, reduce stress and associated infectious diseases, and make daily cleaning more efficient.

9. Improve dog housing, cleaning/disinfecting protocols of dog housing, and medical strategies for treating canine infectious respiratory disease complex (CIRDC) to reduce the rate of infectious diseases and make daily cleaning safer and more efficient.
10. Discontinue spraying of animals in runs.
11. Determine staffing hours for cleaning, feeding, intake, and surgery using inventory and intake data. At the time of the consultation, there were 596 animals on site. Standards outlined by the Humane Society of the United States (HSUS) and the National Animal Care & Control Association (NACCA) state that each sheltered animal should have a minimum of 15 minutes daily for basic cleaning and feeding. Based on this estimate and the shelter's daily population on the date observed, it would take 18 staff members cleaning/feeding for 8 hours daily to ensure basic care for each animal is provided. Since this increase in staffing is unlikely to occur at this time, optimize current procedures to maximize staff's ability to provide high quality care to the animals. Consider increasing the volunteer program to provide additional support to staff.

Recommendations

Sections include:

- **Pathway Planning**
- **Veterinary Services**
 - **Disease Recognition and Diagnosis**
 - **Medical Recordkeeping**
 - **Treatment for Common Diseases**
 - **General Review of SOP's**
- **Intake Procedures**
- **Animal Care and Flow Through**
 - **Sanitation/Disinfection**
 - **Canine Housing**
 - **Feline Housing**

Pathway Planning

1. Pathway planning requires an understanding of the population and the potential outcomes for all animals. Planning for an animal's shelter stay so that they are moved efficiently through the shelter is a key component of a shelter health evaluation plan. By decreasing the length-of-stay for each animal in a shelter, more animals can be served by the organization while also decreasing the risk of disease for each individual animal.
2. The Orange County Animal Care medical team is currently not involved in population management or population flow decisions. As a new Chief Veterinarian will be hired, this person should be trained in understanding population dynamics and evaluating OCAC statistics to determine how to optimize animal flow. Key data points to track include:
 - a. Average Length-of-Stay to all Outcomes
 - i. Group by Species and Age
 - ii. Group by Intake status
 - iii. Roadblocks that increase length-of-stay include delays in moving animals to surgery, delays in behavior evaluations, and delays in moving animals to adoption areas. By optimizing procedures, OCAC will be able to decrease LOS. This decrease in LOS for each animal translates to fewer animals in the shelter at any given time, while still impacting the same number of overall animals. Decreasing the daily inventory by decreasing LOS leads to the shelter staying within its capacity for care.
 - iv. OCAC should track LOS on all animals and determine optimal pathways. A Fast Track / Slow Track system may be one way to move highly adoptable animals quickly through the shelter system. Those animals on the Slow Track should have additional enrichment opportunities since their LOS will

be longer to outcome. More on Fast Track/Slow Track can be found at:
<http://www.sheltermedicine.com/node/37>

- b. Live Release Rates
 - i. Compare with inventory
 - ii. Compare with intake
 - iii. Group by Species and Age
 - iv. Use these grouping to review patterns based on seasonality and evaluate the effectiveness of intake changes and population flow changes.
- c. General Intake/Outcome Data
 - i. Group by Species, Age, Breed
- d. Required Holding Capacity
 - i. Use this graph to determine the number of housing units to allocate to those animals in their hold periods as determined seasonally.
- e. Adoption and Transfer Driven Capacity
 - i. These numbers can assist with planning housing units for animals on the track to adoption or transfer.
 - ii. For OCAC, it may be beneficial to allow for open selection of all animals by potential adopters and transfer agencies, even during hold periods. In this situation, the ADC and TDC would not be utilized to determine housing areas since all animals would be open for viewing. Instead, these calculations can assist with projections for resources to be allocated to these populations.
 - iii. Resource: <http://www.sheltermedicine.com/shelter-health-portal/information-sheets/developing-intake-and-adoption-decision-making-criteria>
- f. Staffing capacity calculations
 - i. Staffing capacity for animal care
 - ii. Staffing capacity for surgery
 - iii. Staffing capacity for intake
 - iv. These values are based on historical inventory and intake data and the average time for each of these procedures. Reviewing these numbers allows management to determine if the optimal number of staff is available for each task.

Veterinary Services

1. Disease Recognition and Monitoring

a. Observations:

- i. There is both a lack of training regarding what signs constitute disease and a lack of clear instructions for staff regarding expectations when confronted with disease.
 - 1. Kennel staff is reluctant to report clinical signs to the medical staff.
 - 2. Kennel staff and medical staff are not consistently recognizing disease in the population.

b. Recommendations:

- i. Implement daily medical rounds at least once every 24 hours by a veterinarian or veterinary technician to visually observe and monitor the health and wellbeing of every animal; it is unacceptable not to do so (ref: ASV Guidelines, pg 21).
 - 1. Daily rounds allows for prompt recognition of problems or needs of animals; it thereby ensures animal health and welfare, and moves each animal through the shelter efficiently.
 - 2. Use Chameleon to create medical to-do lists accordingly.
 - 3. Reference on daily rounds: <http://sheltermedicine.com/node/47>
- ii. Train staff in disease recognition
 - 1. Create a written protocol and provide a formal training session for kennel staff regarding what clinical signs of disease to recognize during daily cleaning (recognizing pain, stress, and behavioral concerns are important, as well).
 - a. Resource on developing infectious disease protocols - <http://www.sheltermedicine.com/node/349>
 - 2. Develop one consistent system for kennel staff to communicate health concerns to the medical staff, such as only using the white, dry-erase board in the medical room, or using a clipboard with a medical log.
 - a. If using the whiteboard, ensure that all notes recorded for an individual animal are also recorded in a permanent record, such as Chameleon. A permanent log allows staff to review previous entries in the event of an outbreak to determine the first incident case of disease. It also provides additional information on each animal and points to potential chronic health concerns.
 - 3. Implement cage-side monitoring sheets to record clinical signs of individual animals.
 - a. Individual animal monitoring sheets allow staff and volunteers to make notations about behavior, food intake, health status, and preferences, among other things.

- b. Cage-side monitoring sheets are likely a long-term solution that should be implemented after training and daily rounds are implemented successfully.
 - c. Resource for cage-side monitoring sheets - <http://www.sheltermedicine.com/documents/daily-monitoring-sheet-with-behavior-check>
 - d. Resource for daily observation sheets - <http://sheltermedicine.vetmed.ufl.edu/files/2012/07/Daily-Observation-Sheet.pdf>
 - iii. Develop a system to track disease rates.
 - 1. Track the number of sick versus healthy animals per day (i.e., the number of sick cats with upper respiratory infection versus healthy cats). Determine rates by examining the number of healthy animal care days versus the number of sick animal care days.
 - 2. Use Chameleon to track disease.
 - 3. Determine on a monthly, seasonal, and annual basis which pathogens are primarily effecting the population and what percentage of the population is affected.
 - 4. Monitor the change in disease rates as other policy changes are implemented.
 - 5. Determine the daily cost of housing a sick animal, versus housing a healthy animal. Compute the overall cost of caring for sick animals at the shelter based on sick animal care days. Use these calculations to demonstrate the value of expending some resources to make improvements to the shelter that decreases disease in the population.
 - 6. Resource - <http://www.sheltermedicine.com/node/384>
- c. Medical Recordkeeping
 - i. Medical staff records all veterinary exams in Chameleon animal records.
 - ii. A log of medical observations for all animals should be maintained to track disease and identify early clinical signs of disease. A long-term goal should be to have both cage-side observation sheets and complete Chameleon animal records that include behavior evaluations, medical exams, and any medical concerns observed.
 - iii. Other recommendations regarding recordkeeping and disease tracking will be made in specific areas of this document.

2. Medical Treatments and Administration

a. Observations:

- i. Medications are laid out on dry erase board that may lead to the potential for medications to fall (as occurred during the site visit) and be given to the wrong animal.
- ii. Medications are thrown into dog kennels inside meatballs without consistent verification that the medication has been taken.
- iii. Medications are not labeled consistently.
- iv. Gloves are not used consistently in between sick animals during administration of medications.
- v. Medical treatment sheets do not denote the reason for treatment (ie. infectious agent or not) leading to technicians not accounting for risk of disease transmission when determining the order in which to administer medications.

b. Recommendations:

- i. Use a push-cart with medications on it to prepare medications during the walk-thru of the dog kennels and cat wards; this ensures that the correct medications are being administered to each animal.
- ii. Offer the medication meatball in a small paper tray labeled with animal I.D.; after completing administration of medications to all animals, check trays to ensure that meatballs are gone. Institute a policy that cleaning staff must report any uneaten medications that they find, to the medical staff.
- iii. Prioritize treatments based on infectious potential (ie. handle respiratory cases last) by adding the clinical diagnosis onto the medical treatment sheet.
- iv. Specific references on drug choices and doses will be given directly to the veterinary staff.

c. Treatment of Canine and Feline Upper Respiratory Infection (URI) - Observations:

- i. Currently staff is using clavamox or minocycline for canine URI and azithromycin or clavamox for feline URI.
- ii. Currently chlorpheniramine is used as a decongestant for feline URI.
- iii. Topical BNP or erythromycin are used as ophthalmic ointments for conjunctivitis associated with feline URI.

d. Treatment of Canine and Feline Upper Respiratory Disease (URD) -

Recommendations

- i. Switch to doxycycline as first line of defense against URI for dogs and cats.
- ii. Doxycycline is proven to be effective against Bordetella, Chlamydomydia, and Mycoplasma – three bacteria often implicated in URI.
- iii. Doxycycline only needs to be administered once daily and is more cost-effective than other medications currently used to treat URI.
- iv. Doxycycline tablets can be made into a liquid compound for cats.
- v. Minocycline can be substituted for doxycycline if doxycycline is unavailable.

- vi. Discontinue use of chlorpheniramine as it has not been proven effective for treating decongestion associated with feline URI and may induce additional stress when medication is administered.
 - vii. Discontinue use of topical BNP for conjunctivitis in feline URI as it has been reported to cause anaphylactic reactions in some cats; oral doxycycline penetrates ocular tissue and can treat conjunctivitis associated with URI.
 - viii. Continue to develop written protocols for infectious disease management including clinical sign recognition, when to change treatment course, and definitions of treatment failure.
 - ix. Rewrite take-home instructions regarding feline URI to correlate with current thinking on feline URI. Include aspects of stress-reduction in the write-up. See www.sheltermedicine.com for examples of at-home instructions.
- e. Other SOP's related to medical disease
- i. Additional recommendations were made verbally regarding protocols. Additional protocols can be reviewed as they are written by medical staff.

Intake Procedures

1. Intake of Owner Surrendered Animals - Observations
 - a. Intake staff member did not utilize a consistent set of questions to obtain information from owners relinquishing animals.
 - b. Intake is done on a first-come, first-serve basis and intake hours are 7am-10pm daily.
2. Intake of Owner Surrendered Animals - Immediate Recommendations
 - a. Ensure that owners complete an intake form with standardized questions regarding the medical and behavioral history for each animal surrendered (ref: ASV Guidelines, pg 19).
 - i. This allows for the shelter to gain useful information for each animal that can then be used to determine the most appropriate outcome for the animal.
 - ii. It can also provide insight regarding reasons for relinquishment, thereby allowing the shelter to provide intake diversion information (ie. alternatives for relinquishment or ways to support the owner so the animal can remain in its home, such as pet food, spay/neuter services, fencing, or temporary boarding).
3. Intake of Owner Surrendered Animals - Intermediate Recommendations
 - a. Implement managed, or appointment-based intake, for owner surrendered animals. Owners should call to make an appointment to surrender their pet. During this initial call, the shelter can provide intake diversion information if appropriate.
 - i. Scheduled intake promotes a surrender process that nurtures open discussion and makes the process more thoughtful for the owner and the shelter.
 - ii. It allows for more detailed and reliable information about the animal to be obtained.
 - iii. It allows the shelter to intake animals based on its capacity to provide an optimal outcome for each animal, thereby reducing each animal's length of stay and increasing the life-saving capacity of the shelter.
 - iv. References on managed intake:
 1. <http://www.sheltermedicine.com/shelter-health-portal/information-sheets/length-of-stay#los>
 2. http://www.maddiesfund.org/Maddies_Institute/Articles/Cats_by_Appointment_Only.html
4. Intake Procedures and Processing – Observations
 - a. Newly admitted animals are temporarily held in the intake office on a tether or in a cage, and appropriate biosecurity measures to limit infectious disease transmission were not taken between handling each animal.

- b. The medical room is used to process intake animals and is also used to examine sick/injured animals, allowing for potential disease transmission between sick and healthy animals.
 - c. Appropriate biosecurity measures were not taken between processing each new animal.
 - ii. Gloves and/or hand-washing between animals is inconsistent during processing.
 - iii. Cleaning of the processing table and the baby scale is inconsistently done with a quaternary ammonium cleaner between animals.
 - f. The veterinarian processes many animals for intake by administering vaccinations and flea control.
 - d. Individual identification, such as a collar, is not provided to each animal on intake.
 - g. All animals (over 4 weeks of age) are not vaccinated on intake.
 - e. All animals (over 2 weeks of age) are not consistently dewormed on intake. Drontal is used as the primary dewormer.
 - f. Reconstituted vaccines are stored in the refrigerator for later use.
5. Intake Procedures and Processing – Immediate Recommendations
- a. Ensure that the area in the intake office is cleaned/disinfected with accelerated hydrogen peroxide (Accel) each time a new animal is handled. Wear gloves or wash hands in between handling animals (use hand sanitizer at a minimum).
 - b. Dedicate one of the tables in the medical room for processing intake animals and the other table for handling medical cases such as sick/injured animals.
 - c. Ensure that appropriate biosecurity measures are taken between processing each new animal.
 - i. Use a separate set of gloves or sanitize hands between handling each animal.
 - ii. Use Accel to clean/disinfect the processing table and the baby scale each time a new animal is handled.
 - d. Ensure that trained staff members are processing animals for intake. Re-focus the veterinarian's time on tasks that cannot be completed by other staff, such as working on medical cases.
 - e. Affix an identification collar to each animal or ensure that each animal has a blue, 4 digit identification tag with it everywhere it moves (ref: ASV Guidelines, pg 6).
 - f. All kittens and puppies, whether housed in the shelter or in a foster home, should be vaccinated on intake with a modified live FVRCP and DHPP, respectively, starting at 4 weeks of age; repeat vaccinations should be done every 2 weeks until they are 18-20 weeks of age (ref: ASV Guidelines, pg 20).
 - g. All animals, including feral cats, should be vaccinated on intake; feral cats can be vaccinated in their trap by using a trap comb and confining them to one end.
 - h. All handleable animals, regardless of age, should be dewormed on intake. This was previously recommended (ref: 2007 UC-Davis Consult, pg 23).

- i. Switch to pyrantel pamoate (Strongid) as the intake dewormer if cost is a factor limiting the ability to deworm all animals on intake.
 - i. Strongid is less costly than Drontal and is effective against the zoonotic endoparasites of concern (round and hookworms). This was previously recommended (ref: 2007 UC-Davis Consult, pg 23).
- j. Use Chameleon to automatically create reminders for when re-vaccination, repeat deworming, and repeat parasite control is required for each animal.
 - i. Establish routine recheck appointments for all animals in foster care based on these reminders.
- k. Modified live vaccines (FVRCP & DHPP) should not be reconstituted until they are ready for use.
 - i. Vaccine efficacy may be compromised after 1 hour of reconstitution and manufacturer guarantee is void when this is done. This was previously recommended (ref: 2007 UC-Davis Consult, pg 23).
- l. Intake Procedures and Processing - Longer Term Recommendations:
 - i. Create an area for intake that is separate from your medical room; ideally create two separate intake areas, one for cats and another for dogs.
 - ii. Reference for Intake Procedures: <http://sheltermedicine.com/node/48>
 - iii. Reference for consistent Intake Forms: <http://sheltermedicine.vetmed.ufl.edu/files/2012/07/Cat-Intake-and-Examination-Form.pdf>

Animal Care: Sanitation/Disinfection

1. Cat Areas - Observations:
 - a. Staff is gentle when handling cats.
 - b. There is consistent use of new gloves between handling each cat.
 - c. Spot cleaning is performed for cages not heavily soiled.
 - d. Although spot cleaning is practiced, every cat is completely removed from its cage at least once daily for cleaning.
 - e. Cleaning/disinfecting products, including Accel, Dawn dish detergent, and Super Kleenz cleaner are used sporadically, without clear guidelines regarding when to use.
 - f. Cats are placed in a temporary holding cage during cleaning which is not cleaned in between animals.
 - g. Cages suspected of housing panleukopenia positive cats are disinfected and kept empty for 3 days.
2. Cat Areas - Immediate Recommendations:
 - a. Make cleaning/disinfecting of cat cages as low stress as possible while still maintaining infectious disease prevention tactics.
 - b. Ensure that the daily cleaning order starts with healthy kittens, then healthy adults, then sick cats – this way the most vulnerable (younger, most at risk for acquiring infectious disease) are handled first before moving onto less vulnerable and then unhealthy animals (ref: ASV Guidelines, pg 15).
 - c. Switch to Accel for cleaning/disinfecting of vacated cages.
 - d. Use dawn and water for spot cleaning of occupied cages; spot cleaning allows for minimal handling, which results in lower stress levels and less chance of infectious disease transmission via fomites.
 - e. Thoroughly disinfect the temporary holding cage with Accel in between each cat, if the holding cage is absolutely necessary. It is better to have a cardboard carrier for each individual cat, if spot cleaning cannot be accomplished in a particular situation.
 - f. Cages properly disinfected for panleukopenia do not need to be kept empty for 3 days after disinfection; if used properly, Accel is effective against panleukopenia.
 - g. Create written protocols for cleaning/disinfecting that includes the order of cleaning, how to spot clean occupied cages, how to thoroughly clean/disinfect vacated cages, and the appropriate cleaner/disinfectant to use.
3. Cat Areas - Longer Term Recommendations:
 - a. Create portholes between cages so that each cat has more space.
 - i. This not only allows cats to eliminate away from food/water/bedding but also allows for expression of normal behavior.
 - ii. It allows for easier spot cleaning to be accomplished.
 - iii. It allows for less handling of the cats and therefore less stress and less chance of infectious disease transmission via fomites.

- iv. It makes daily care more efficient.
 - v. This was previously recommended (ref: 2007 UC-Davis Consult, pg 29).
4. Dog Kennels – Observations
- i. Kennels are hosed down with dogs still present in them.
 - ii. Guillotine doors are not utilized during cleaning.
 - iii. Newly vacated kennels are disinfected with BruClean.
 - iv. Kennels suspected of housing parvovirus positive dogs are disinfected and kept empty for 3 days.
- b. Dog Kennels - Immediate Recommendations:
- i. Discontinue hosing kennels down with dogs inside; this is unacceptable for the welfare of the animals (ref: ASV Guidelines, pg 15). The ASV guidelines also state that animals must allow the animal to remain dry and clean.
 - 1. Certain infectious diseases, including parvovirus, persist in moist environments, such as a wet kennel.
 - 2. Animals are more prone to developing skin infections when lying in wet kennels.
 - 3. This was previously recommended (ref: 2007 UC-Davis Consult)
 - ii. Switch to Accel for cleaning/disinfecting.
 - 1. Unlike BruClean, Accel remains effective in the face of organic debris.
 - 2. Use Accel everyday with the cleaning method described below.
 - iii. Switch to the “move one down” method described here for cleaning kennels to avoid spraying animals. This is a temporary solution. Using the kennels as double-sided runs is the ideal way to clean dog areas. The current design of the back of the run and the inability to use the guillotine doors limits the ability to clean using the ideal process.
 - 1. Leave one end run open (“Empty, Clean Run”)
 - 2. Move the dog from adjacent run (“Dirty Run”) down one kennel into the “Empty, Clean Run”
 - 3. Clean & disinfect the “Dirty Run” with Accel so it is now the new “Empty, Clean Run;” squeegee kennel down so it is dry
 - 4. Move next adjacent dog into the new “Empty, Clean Run”
 - 5. Repeat this process for entire section of kennels.
 - 6. Ensure that all identification materials (tags, kennel cards) are moved with each dog.
 - 7. Note: This process will take longer than current cleaning so it is important to make this a team effort similar to the feeding procedures currently used at the shelter. Recruiting volunteers to assist may be of benefit. If this process is not a feasible option at this time (due to costs or staffing), consider tethering the dog while the run is cleaned as a short-term option. A third option is to have volunteers take dogs to play yards or on walks during the cleaning process. The current process of spraying runs with animals in them

is not acceptable so action must be taken to find a solution that is feasible with the current staffing and housing situation.

- iv. Ensure that cleaning order starts with healthy puppies, then healthy adults, then sick dogs – this way the most vulnerable (younger, most at risk for acquiring infectious disease) are handled first before moving onto less vulnerable and then unhealthy animals (ref: ASV Guidelines, pg 15).
 - v. Kennels properly disinfected for parvovirus do not need to be kept empty for 3 days after disinfection; Accel is effective against parvovirus.
 - vi. Create written protocols for cleaning/disinfecting that includes the order of cleaning, how to spot clean occupied kennels, how to thoroughly clean/disinfect vacated kennels, and the appropriate cleaner/disinfectant to use.
- c. Dog Kennels - Longer Term Recommendations:
- i. Fix guillotine doors so that dogs can be segregated to one side of their kennel while the other side is being cleaned.
 - 1. This not only allows dogs to eliminate away from food/water/bedding, but it also reduces dog handling during cleaning, mitigates stress, minimizes disease transmission, and makes daily care more efficient and safe for staff.
 - 2. This was previously recommended (ref: 2007 UC-Davis Consult, pg 4)
 - ii. Consider building a new facility that will better accommodate the current feline and canine population. Even with the guillotine doors fixed, the current dog housing does not meet all guidelines and does not allow for easy disinfection of the indoor component.
- d. Medical Room – Observations:
- i. This room is currently used to examine intake animals as well as sick/injured animals.
 - ii. There is inconsistent use of gloves and/or hand-washing between animals.
 - iii. There is inconsistent cleaning of table and the baby scale with a quaternary ammonium cleaner between animals.
- e. Medical Room - Immediate Recommendations:
- i. Dedicate one table in medical room for examining intake animals and the other table for medical cases such as sick/injured animals.
 - ii. Use a separate set of gloves for each animal.
 - iii. Install hand sanitizers and use in between animals.
 - iv. Switch to Accel for cleaning/disinfecting.
 - v. Create a written protocol for cleaning/disinfection in this room.
- f. Medical Room - Longer Term Recommendations:
- i. Create an area for intake that is separate from your medical room; ideally create two separate intake areas, one for cats and another for dogs.
- g. References for Sanitation
- i. <http://sheltermedicine.com/shelter-health-portal/information-sheets/sanitation-in-animal-shelters>

Recommendations for Improving Cat and Dog Housing as it Pertains to Shelter Health

Sections include:

Dog Housing
Individual Cat Housing
Feral Cat Housing

1. Dog Housing – Observations:
 - a. Kennels are not truly double-sided compartments as guillotine doors are mostly non-functional.
 - b. Aggressive/quarantine and infectious dogs are not housed in doubled-sided compartments.
 - c. The back panel of kennels is made of wood.
 - d. Temporary dog housing units do not have guillotine doors and are difficult to disinfect.
2. Dog Housing – Longer Term Recommendations:
 - a. Replace/repair guillotine doors.
 - i. This allows dogs to eliminate away from where they eat/drink/sleep and allows for expression of normal behavior.
 - ii. It allows for kennels to be cleaned without dogs in them.
 - iii. It allows for safer handling of aggressive/quarantine dogs.
 - iv. It reduces infectious disease transmission and increases animal welfare.
 - v. This was previously recommended (ref: 2007 UC-Davis Consult, pg 4.)
 - b. Ensure that all kennel materials are completely disinfected – replace back wooden panels of kennels with non-porous material.
 - c. Ensure that adjacent dogs do not have nose-to-nose contact by replacing side cement walls in the back of kennels with taller panels.
 - d. Eventually, a new facility should be built to accommodate the animal population. Current housing does not meet the guidelines for other aspects that were not within the scope of this consultation. Appropriate housing units with proper drainage and safe materials are a necessary aspect of maintaining the health of the population.
3. Areas of Individual Cat Housing – Observations:
 - a. Overall, cat housing is stressful for the reasons detailed below; stress induces herpesvirus-associated feline upper respiratory infection (URI).
 - b. Cats have limited places to hide or perch.
 - c. Although spot cleaning is practiced, every cat is completely removed from its cage at least once daily for cleaning.
 - d. Cat housing dimensions are currently too small to allow cats to express normal behaviors.

- h. Puppies are housed in same area as cats awaiting surgery, cats awaiting foster pick up, and queens with litters; significant barking is present in these areas.
 - i. Cat housing areas are poorly ventilated.
4. Areas of Individual Cat Housing - Short Term Recommendations:
- a. Provide each cat with a hiding box or perch; this will help decrease stress levels and associated infectious disease rates by allowing cats to hide when they need to.
 - b. Continue spot cleaning cat cages that are not heavily soiled; this allows for minimal handling, which results in lower stress levels and less chance of infectious disease transmission via fomites.
 - c. Rearrange housing within the "Cat Isolation" building such that animals are separated by species and age.
 - i. Separating species is strongly recommended due to increased stress levels when different species are housed together, as well as the potential for infectious disease transmission between species (parvovirus, Bordetella) (ref: ASV Guidelines, pg 28).
 - ii. This was previously recommended (ref: 2007 UC-Davis Consult, pg 29).
 - iii. Remove puppies from the "Cat Isolation" building and either move puppies out to foster ASAP or for the few that remain in the shelter, house these puppies within x-pens inside administrative offices.
 - iv. Do not move cats awaiting surgery into the "Cat Isolation" building; they can remain in their cages within "Cat Pavilion A or C" with appropriate cage-side signs stating they have been adopted and are unavailable.
 - v. Only use the "Cat Isolation" building to house cats that are most vulnerable to disease such as queens with litters or cats awaiting foster care.
 - d. Ensure there is adequate air flow through cat housing areas. In cat isolation areas, retrofit the existing windows to place screens, allowing air flow as a short-term solution.
 - e. As a long-term solution, design distinct isolation areas for cats with appropriately sized housing units in a new facility to prevent infectious disease transmission. .
5. Areas of Individual Cat Housing - Intermediate Recommendations:
- a. Create portholes between cages to provide more space for each cat.
 - i. This provides sufficient space for a cat to sleep and eat away from where it eliminates.
 - ii. It allows for spot cleaning to be conducted more easily.
 - iii. It allows for less handling of the cats and therefore less stress and less chance of infectious disease transmission via fomites.
 - iv. See additional recommendations with photos at the end of this document.
 - b. Improve ventilation and odor of cat housing areas by installing windows. A range of 10 to 20 fresh air exchanges are recommended per hour in animal care facilities. If proper air flow is not occurring, consider installing air filters and

temporary units to improve flow. Ideally, a facility will be designed in the future to account for proper ventilation but in the meantime, steps should be taken to improve the current situation (Reference – ASV Guidelines for Standards of Care pg. 10).

6. Feral Cat Housing - Observations:

- a. Feral cats are housed together in cohorts based on the date of intake; they are kept overnight in a receiving cage.
- b. Feral cats are housed near dogs and high human traffic areas.
- c. There is a lack of vertical space in communal feral housing areas.

7. Feral Cat Housing - Short Term Recommendations:

- a. Add shelving to provide vertical space for cats to occupy in feral housing areas.

8. Feral Cat Housing - Intermediate Recommendations:

- a. Use a third party to conduct feral cat trap-neuter-release (TNR) so that feral cats do not have to be held for the legal stray hold.
- b. Place partial visual barriers, such as vinyl covering or sheets, so cats can hide if they choose.

Note: Euthanasia procedures were briefly observed so the following statements relate to the few procedures observed by the consultation team.

1. Euthanasia – Observations:

- a. Identification of animals was not done immediately prior to euthanasia
- b. Animals were not weighed before euthanasia
- c. Verification of death after euthanasia was not performed
- d. A bird was present in euthanasia room while a dog was euthanized

2. Euthanasia - Immediate Recommendations:

- a. Ensure that the identification of animals is checked before euthanasia (check Chameleon I.D. number and use a universal microchip scanner to ensure that a microchip was not missed).
- b. Weigh animals and use a dosing chart to obtain correct dosage of euthanasia solution based on body weight.
- c. Confirm death by using a stethoscope and/or look for cardiac standstill by placing a syringe & needle into the heart after euthanasia.
- d. Do not allow animals to witness the euthanasia of other animals.
- e. Ref: ASV Guidelines, pg 34-36

ADDITIONAL FELINE HOUSING RECOMMENDATIONS

Cat housing size and quality is closely linked to stress, risk for upper respiratory infection, and even chances for adoption versus euthanasia (Gourkow 2001; McCobb, Patronek et al. 2005). In addition to improving health and welfare, housing of adequate size and quality is easier and less time consuming to clean, and permits a greater degree of enrichment (such as provision of hiding boxes, beds and toys). The recommendations below are based on these recommendations.

CAGE SIZE

- Minimum recommendations for cage size have been developed, including at least 10.8 square feet of floor space per individual cat housing unit and at least 18.3 square feet of floor space per cat in group housing (Kessler and Turner 1999).
- Additional guidelines include sufficient size for the cat to stand and stretch to full body length, and at least 3 feet of separation between litter and food (National Research Council 1996).

SHORT TERM SOLUTIONS

Initially while developing a population plan that addresses capacity, the following steps may be taken to improve feline housing.

- When using shoreline cages or plexiglass/plastic cages in adoption areas, house cats in every other cage, giving two cages to each cat. Cats may then be moved to the adjacent cage during cleaning.
- Limit kitten co-housing to no more than two to three kittens in a cage when using cages. Housing two kittens is ideal unless dividing an odd numbered litter would result in one kitten being housed alone.
- Limit adult cat caged housing to no more than two cats.
- When cages are low to the ground, discontinue the use of the bottom row of cages. Smaller banks of cages can be elevated.
- Add shelves to larger cages (those of sufficient size to fit both a shelf and a hiding box), especially those on floor level. An alternative to a built in shelf is an after-market

perching shelf or a Kuranda cat bed,



www.kuranda.com).

- Obtain hiding boxes or carriers for every cat. Keep the box/carrier with the cat from the time of intake through to adoption. Below are examples of hiding box options. Sources of “feral” boxes are available from ACES: http://www.animal-care.com/cat_handling.aspx. Hide Perch n’ Go box is available from: <http://www.sPCA.bc.ca/hideperchgo/HidePerchGo.asp>



Shown with open porthole (inset).



- Plastic airline carriers can also be used, with a towel folded on top to serve as an additional option for the cat to sleep on. Even bags or cardboard boxes are preferable to not providing any hiding space.



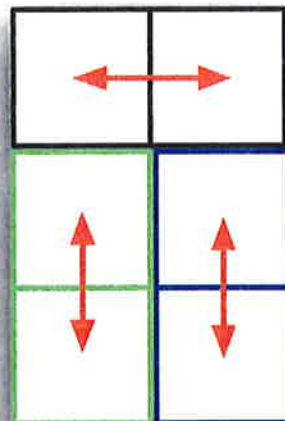
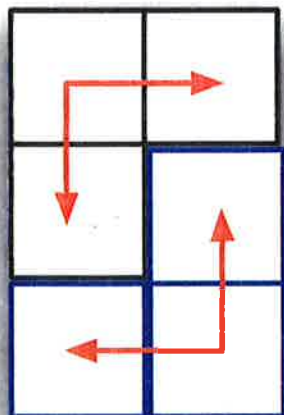
INTERMEDIATE SOLUTION

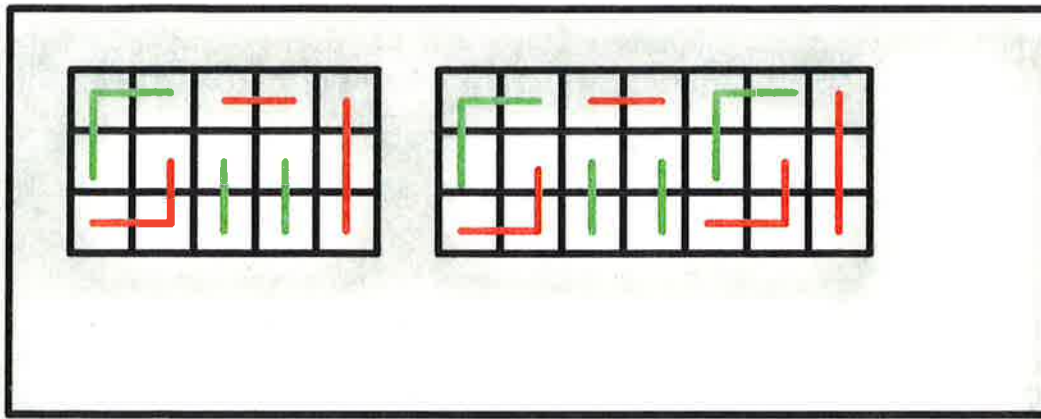
If overcrowding is not present and population pathway planning is occurring, the following recommendations may be adopted to improve feline housing units.

- Drill holes in cages to make larger housing units for individual cats. Holes may be drilled in many different combinations to create two room compartments, three units, or even larger for moms with litters. Two examples of holes are presented below. More information on how to drill holes in stainless steel cages is provided at the end of this document.



- Two examples of housing units with holes drilled between them. Six individual cages are divided into two condos with holes cut between cages. Six individual cages are divided into three condos with holes cut between cages.
- An example of a two shoreline banks is also provided below.





- When group housing cats, ensure that there is sufficient space per cat available. To decrease the risk of disease transmission, minimize the number of cats present. House cats in an all-in, all-out fashion to create stable groups.

Porthole Process

This document was reprinted with permission from Dr. Brenda Griffin, Univ. of FL





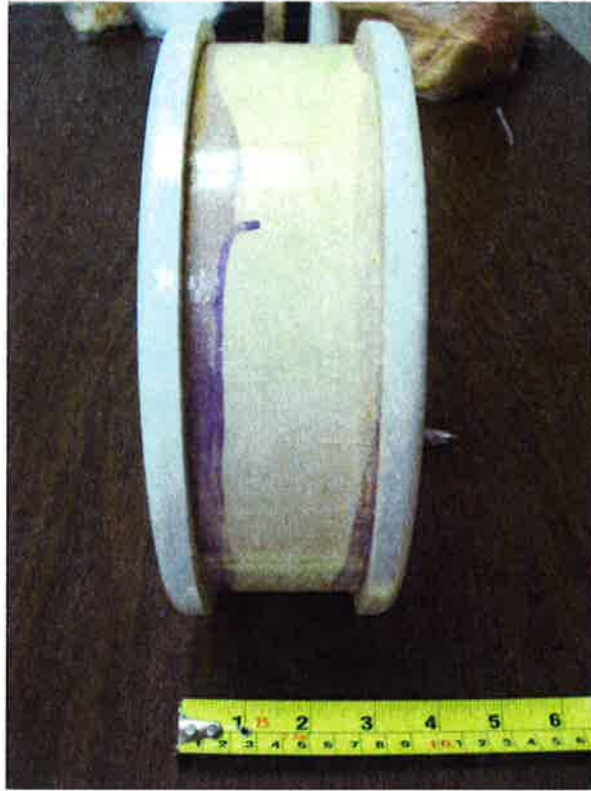
Stainless Steel cat housing unit with 8 3/16" rough hole cut.



8" (Diameter) PVC Pipe cut into $3 \frac{3}{16}$ " Segments



8" (Diameter) PVC Coupler cut into .5" Segments. One Edge Beveled.



8" (Diameter) PVC pipe with 2 - 8" (Diameter) PVC coupler. Fully assembled Porthole.



8" (Diameter) PVC pipe with 2 - 8" (Diameter) PVC coupler. Fully assembled Porthole.



2 small housing units converted into 1 large housing until using an assembled porthole.



2 small housing units converted into 1 large housing until using an assembled porthole.

EXHIBIT F

County Response to Grand Jury Report –
“The Orange County Animal Shelter: The Facility, The
Function, The Future”



DRAFT Responses to Findings and Recommendations
2014-15 Grand Jury Report:

“The Orange County Animal Shelter: The Facility, The Function, The Future”

SUMMARY RESPONSE STATEMENT:

On May 21, 2015, the Grand Jury released a report entitled: “The Orange County Animal Shelter: The Facility, The Function, The Future.” This report directed responses to findings and recommendations to the Orange County Board of Supervisors, County Executive Officer, and Director of Orange County Community Resources, which are included below.

FINDINGS AND RESPONSES:

F.1. The Grand Jury has concluded that the County’s lack of leadership, lack of commitment to animal care, and the prioritization of other Orange County Community Resources Department functions ahead of Orange County Animal Care are the primary reasons for failure to address the need of new Animal Shelter facilities.

Response: Disagrees wholly with the finding.

The County of Orange has long recognized the need to replace the current Animal Shelter in Orange, which is over 70 years old. Meaningful progress has been made to build a new centralized Animal Shelter:

- In 1995, the Board of Supervisors set aside \$5 million in reserve for the initial contribution toward a new Shelter, with over \$4.4 million still remaining. New Shelter costs are estimated between \$20-25 million excluding the value of the land, the County will contribute 20-25% of the expected total cost of a new Shelter while service to the County unincorporated areas proportionately represents less than 10% of total OC Animal Care costs.
- Between 1995-1999, the County and contract cities reviewed multiple sites, including on County-owned land at the Grand Avenue Complex and rebuilding the Shelter on the current property in Orange.

- In 1999, the Board of Supervisors began pursuing the opportunity to build a new Shelter at the former United State Marine Corps Air Station – Tustin as part of the base closure process. This location was identified as the generally preferred site by the County and the contract cities as it represents the most reasonable and cost-efficient location for a new centralized replacement Shelter. The site is centrally located, freeway accessible, and is being conveyed for public benefit as a new Shelter at no cost to the taxpayers as part of the military base reuse plan.
- Between approximately 2000-2006, the County had conceptual design plans drawn up for a new Shelter. However, these design plans are now of limited value given the passage of time, the uncertainties associated with the conditions of the conveyance of the land by the Navy, and the absence of site-specific detail in the conceptual plans.
- In 2012, the County successfully negotiated a tri-party land swap agreement with the South Orange County Community College District and the City of Tustin to secure the specific parcels of land that will be utilized for the new Shelter upon conveyance of the land by the Navy. This agreement was extended in 2015 to allow for the delays in the conveyance process.
- Over the last eight years since the transfer of OC Animal Care into OC Community Resources, County staff have spent considerable effort consulting with the Navy, City of Tustin (acting as the Local Reuse Agency), and the South Orange County Community College District regarding the conveyance process. County staff have visited the Navy BRAC Program Management Office West in San Diego on multiple occasions to personally consult with the Base Closure Manager and BRAC.
- The current Chair of the Board of Supervisors visited the BRAC offices in San Diego in 2014, and has subsequently sent a letter to the Orange County Congressional Delegation requesting assistance in accelerating the process. A follow-up trip to the BRAC offices in San Diego is tentatively being scheduled for this coming fall.
- In 2015, OC Community Resources completed a draft Business Plan for the new Animal Shelter. This draft outlines the site development, project planning/design, proposed funding, financial projections, operations, and marketing/fundraising elements of the proposed new Shelter. It will be presented to the city manager subcommittee of contract cities in the summer of 2015.

Progress on the acquisition of the property has been much slower than anticipated due to complicated environmental review issues. In 2014, the County, City of Tustin, and South Orange County Community College District offered several proposals to help move the process forward more expeditiously, including

bifurcating the proposed site from the larger Tustin parcels still under dispute and offering use of local resources for sampling and engineering. These proposals were offered but not accepted by the Navy. Although not formally committed in writing, the Navy has suggested a transition timeframe for the property in 2016.

Despite the delays, the Tustin site remains the generally preferred site for the County and the contract cities. Significant efforts on the project continue:

- OC Public Works has assigned a project manager for the replacement Shelter, prepared a preliminary development schedule, is reviewing all available documentation and source material, and is taking site visits to existing animal shelters in Southern California.
- Plumbing and Civil Engineering Design Criteria for the new Shelter are being developed and will be completed by fall 2015 using current on-call contract consultant services.
- Although the contract cities have expressed a desire in writing on multiple occasions to wait on negotiations for funding agreements until the County has secured the land, the contract city sub-committee responsible as the lead in negotiations has agreed to initiate discussions in summer 2015, in hopes of preparing proposed long-term funding agreements in fall 2015. The goal is for formal Memorandums of Understandings regarding Intent to Participate be ready for approval by the respective city councils and the County Board of Supervisors.
- It is anticipated that schematic design work and preliminary conceptual drawings will be completed by fall 2015, to be presented to the contract cities with the proposed long-term funding agreements. The formal RFP process and construction design work will be initiated upon approval of said agreements by the contract cities, thereby allowing for appropriate sizing based upon long-term commitments and growth requirements.
- It is estimated that the completion of a new Shelter using a "Design-Build" type process will take approximately 2-3 years from the point the property is secured. Assuming conveyance of the land in 2016, completion of the new Shelter will be in approximately 2019.
- County Real Estate staff are initiating a review of all properties currently owned by the County to determine potential alternative sites for a new or second Animal Shelter. In the event that a site is deemed economically and programmatically feasible, the option will be presented to the contract cities for consideration.

- In the interim, the Board of Supervisors unanimously approved the allocation of \$150,000 in the FY 2015/16 budget to complete necessary major maintenance and repairs at the current Shelter in Orange.

In summary, the current delays in building a new Animal Shelter are not due to lack of effort, commitment or prioritization by the Board of Supervisors or County staff, but rather primarily to the lengthy process for the Navy to convey lands for public benefit. The replacement of the current Animal Shelter remains a priority of the Board of Supervisors and County staff, as demonstrated by the commitment of disproportionately large financial and staff support toward the project.

F.2. The 18 cities that contract with Orange County Animal Care for shelter services have not had an opportunity to contribute to capital costs for a new Animal Shelter facility, or facilities, because they have not been shown any conceptual plans or drawings of planned projects with cost estimates.

Response: Disagrees partially with the finding.

The County concurs with the fact that conceptual plans and/or schematic designs have not been provided with cost estimates to the contract cities. Although formal commitments are not in place, the contract cities and the County continue to work as partners in the development of a new Shelter. Despite the representation to the contrary, the contract cities have had the opportunity to make a contribution at any time for the capital costs of a new Shelter. Extensive discussions have occurred over several years and continue at the staff level regarding siting, timing, general costs estimates, and proportional funding levels among contract cities.

The County has not submitted proposed long-term financial agreements inasmuch as execution of such agreements without an appropriate level of detail would be premature and unacceptable to the contract cities. Site-specific sizing and cost estimates have not been developed. Expenditures for design and architectural work of a detailed nature have been kept at a minimum intentionally until the requirements of the conveyance from the Navy are known. In the absence of such, specific detailed plans may quickly become outdated or no longer applicable should the Navy continue to delay the transfer or impose restrictions on the site.

The contract cities have consistently indicated there is broad support for the construction of a new Shelter at the Tustin site, but that any long-term financing agreements and related contributions need to wait until the County has possession of the land. Further, representatives of the contract cities have stated that development of schematic designs and conceptual drawings are not needed to generate support, nor would they be successful in garnering long-term financing commitments or contributions without possession of the land, or at least a more firm commitment from the Navy at a minimum.

The County recently developed a draft Business Plan for the new Shelter. This draft outlines the site development, project planning/design, proposed funding, financial projections, operations, and marketing/fundraising elements of the project. It includes specific milestones and provides initial cost estimates for each city based upon prior year actual participation levels for OC Animal Care services.

It is anticipated that the draft Business Plan will be presented to the subcommittee of contract cities in the summer of 2015. Discussions regarding the long-term funding agreement are expected to commence at that time. Preliminary schematic design work and conceptual drawings are expected to be completed by fall 2015, in hopes of being presented to the contract cities with the initial proposed long-term funding agreements. Funding for the initial work is being charged against the \$5 million County General Fund reserve set aside by the Board of Supervisors.

F.3. The County has not developed any viable conceptual plan for a new animal shelter facility at the Marine Corps Air Station-Tustin, or at any other location, for presentation to the 18 contracting cities despite the cities' need to see plans before committing to support the project.

Response: Disagrees partially with the finding.

As stated in Finding #2 above, the County concurs with the fact that site-specific conceptual plans and/or schematic designs have not been developed for the Tustin location. Despite the fact that formal commitments are not in place, the contract cities and the County continue to work as partners on the new Shelter.

Site-specific sizing and cost estimates have not been developed. Expenditures for design and architectural work of a detailed nature have been kept at a minimum intentionally until the requirements of the conveyance from the Navy are finalized. In the absence of such, specific detailed plans may quickly become outdated or no longer applicable should the Navy continue to delay the transfer or impose restrictions on the site.

The contract cities have consistently indicated there is broad support for the construction of a new Shelter at the Tustin site, but that any long-term financing agreements and related contributions need to wait until the County has possession of the land. Further, representatives of the contract cities have stated that development of schematic designs and conceptual drawings are not needed to generate support, nor would they be successful in garnering long-term financing commitments or contributions without possession of the land, or at least a more firm commitment from the Navy at a minimum.

The County recently developed a draft Business Plan for the new Shelter. This draft outlines the site development, project planning/design, proposed funding, financial projections, operations, and marketing/fundraising elements of the project. It includes specific milestones and provides initial cost estimates for each city based upon prior year actual participation levels for OC Animal Care services.

It is anticipated that the draft Business Plan for the Tustin location will be presented to the subcommittee of contract cities later this summer. Discussions regarding the long-term funding agreement are expected to commence at that time. Preliminary schematic design work and conceptual drawings are expected to be completed in the fall, in hopes of being presented to the contract cities with the initial proposed long-term funding agreements. Funding for the initial work is being charged against the \$5 million County General Fund reserve set aside by the Board of Supervisors.

F.4. Multiple county animal shelters are the standard throughout California counties of similar geographic size and population. In the event of a shutdown at the Orange County Animal Shelter because of quarantine, earthquake, or other disaster, animal-care services in the unincorporated areas of Orange County and the contract cities would cease.

Response: Disagrees partially with the finding.

Although potentially disrupted, County Animal Care services would not cease any more in the event of quarantine, earthquake or other disaster than at other Shelter facilities located throughout Southern California. While services would be impacted logistically and with respect to capacity in a minor to mild emergency event, OC Animal Care services could be halted in a major event that affected all of the animal shelters, animal hospitals, and veterinary clinics in Orange County.

Animal Care services include both Animal Control Field Services and Animal Shelter Services. Field Services will only be disrupted to the extent that streets and/or freeways were impassible. The County operates a fleet of vehicles that are not dependent upon a specific site or location out of which to operate. To the extent space were available, County Field Officers would take animals to other Shelters in an emergency under mutual-aid agreements, thereby precluding the shutdown of Animal Care services to the contract cities and unincorporated areas.

With respect to Shelter Services, the current County Shelter is over 70 years old. It should be noted that the current facility has withstood all earthquakes experienced over that time-period with little or no structural damage, including the major Whittier and Northridge earthquakes. To the extent that there was significant damage that made the Shelter and kennels inoperable, the County would enact emergency mutual-aid agreements and emergency contract agreements with other local shelters, animal hospitals, and veterinary clinics that had not been impacted and were still operational. The same would be true should the County be contacted under mutual aid requests by other shelters rendered inoperable and capacity at the County Shelter permitted.

In the event of a necessary quarantine, the County would again utilize alternative shelters and execute emergency contracts with private animal hospitals and veterinary clinics to the extent available. Without question, Shelter services would not cease

and the current impounded animals would continue to receive prompt, necessary, and humane care.

County Real Estate staff are initiating a review of all properties currently owned by the County to determine potential alternative sites for a new or second Animal Shelter. In the event that a site is deemed economically and programmatically feasible, the option will be presented to the contract cities for consideration.

Should the County pursue regional Adoption Centers throughout the County or a second Animal Shelter, the County may potentially have the ability to redirect Field and Shelter staff accordingly to assist with the additional intake should the County Shelter be rendered partially inoperable or closed.

RECOMMENDATIONS AND RESPONSES:

R.1. The Orange County Board of Supervisors, County Executive Officer, and Director of Community Resources should place a high priority on the design and construction of new, adequately sized, staffed, and funded animal shelter facilities; and should pursue this long overdue project until such time that construction is completed. (F-1, F-4)

Response: This recommendation has been implemented.

As stated above in this report in the response to Finding #1 and repeated below, the Board of Supervisors, County Executive Officer, and Director of OC Community Resources have placed a very high priority on replacing the current Animal Shelter.

The County of Orange has long recognized the need to replace the current Animal Shelter in Orange, which is over 70 years old. Meaningful progress has been made to build a new centralized Animal Shelter:

- In 1995, the Board of Supervisors set aside \$5 million in reserve for the initial contribution toward a new Shelter, with over \$4.4 million still remaining. Assuming that the new Shelter costs approximately \$20 million excluding the value of the land, the County will have set aside 25% of the expected total cost of a new Shelter while service to the County unincorporated areas proportionately represents less than 10% of total OC Animal Care costs.
- Between 1995-1999, the County and contract cities reviewed multiple sites, including on County-owned land at the Grand Avenue Complex and rebuilding the Shelter on the current property in Orange.
- In 1999, the Board of Supervisors began pursuing the opportunity to build a new Shelter at the former United State Marine Corps Air Station – Tustin as part of the base closure process. This location was identified as the generally preferred site by the County and the contract cities as it represents the most

reasonable and cost-efficient location for a new centralized replacement Shelter. The site is centrally located, freeway accessible, and is being conveyed for public benefit as a new Shelter at no cost to the taxpayers as part of the military base reuse plan.

- Between approximately 2000-2006, the County had conceptual design plans drawn up for a new Shelter. However, these design plans are now of limited value given the passage of time, the uncertainties associated with the conditions of the conveyance of the land by the Navy, and the absence of site-specific detail in the conceptual plans.
- In 2012, the County successfully negotiated a tri-party land swap agreement with the South Orange County Community College District and the City of Tustin to secure the specific parcels of land that will be utilized for the new Shelter upon conveyance of the land by the Navy. This agreement was extended in 2015 to allow for the delays in the conveyance process.
- Over the last eight years since the transfer of OC Animal Care into OC Community Resources, County staff have spent considerable effort consulting with the Navy, City of Tustin (acting as the Local Reuse Agency), and the South Orange County Community College District regarding the conveyance process. County staff have visited the Navy BRAC Program Management Office West in San Diego on multiple occasions to personally consult with the Base Closure Manager and BRAC.
- The current Chair of the Board of Supervisors visited the BRAC offices in San Diego in 2014, and has subsequently sent a letter to the Orange County Congressional Delegation requesting assistance in accelerating the process. A follow-up trip to the BRAC offices in San Diego is tentatively being scheduled for this coming fall.
- In 2015, OC Community Resources completed a draft Business Plan for the new Animal Shelter. This draft outlines the site development, project planning/design, proposed funding, financial projections, operations, and marketing/fundraising elements of the proposed new Shelter. It will be presented to the city manager subcommittee of contract cities in the summer of 2015.

Progress on the acquisition of the property has been much slower than anticipated due to complications with environmental review issues. In 2014, the County, City of Tustin, and South Orange County Community College District suggested several proposals to help move the process forward more expeditiously, including bifurcating the proposed site from the larger Tustin parcels still under dispute and offering use of local resources for sampling and engineering. These proposals were offered to no avail. Although not formally committed in writing, the Navy has suggested a transition timeframe for the property in 2016.

Despite the delays, the Tustin site remains the generally preferred site for the County and the contract cities. Significant efforts on the project continue:

- OC Public Works has assigned a project manager for the replacement Shelter, prepared a preliminary development schedule, is reviewing all past documentation and source material, and is taking site visits to existing animal shelters in Southern California.
- Plumbing and Civil Engineering Design Criteria for the new Shelter are being developed and will be completed by fall 2015 using current on-call contract consultant services.
- Although the contract cities have expressed a desire in writing on multiple occasions to wait on negotiations for funding agreements until the County has secured the land, the contract city sub-committee responsible as the lead in negotiations has agreed to initiate discussions in summer 2015, in hopes of developing proposed long-term funding agreements in fall 2015. It is expected that at a minimum, formal Memorandums of Understandings regarding Intent to Participate can be approved by the respective city councils and the County Board of Supervisors.
- It is anticipated that schematic design work and preliminary conceptual drawings will be completed by fall 2015, to be presented to the contract cities with the proposed long-term funding agreements. The formal RFP process and construction design work will be initiated upon approval of said agreements by the contract cities, thereby allowing for appropriate sizing based upon long-term commitments and growth requirements.
- It is estimated that the completion of a new Shelter using a "Design-Build" type process will take approximately 2-3 years from the point the property is secured. Assuming conveyance of the land in 2016, completion of the new Shelter will be in approximately 2019.
- In the interim, the Board of Supervisors unanimously approved the allocation of \$150,000 in the FY 2015/16 budget to complete necessary major maintenance and repairs at the current Shelter in Orange.
- County Real Estate staff are initiating a review of all properties currently owned by the County to determine potential alternative sites for a new or second Animal Shelter. In the event that a site is deemed economically and programmatically feasible, the option will be presented to the contract cities for consideration.

In summary, the current delays in building a new Animal Shelter are not due to lack of effort, commitment or prioritization by the Board of Supervisors or County staff,

but rather primarily to delays by the Navy in the process to convey lands for public benefit. The replacement of the current Animal Shelter remains a priority of the Board of Supervisors and County staff, as demonstrated by the commitment of disproportionately large financial and staff support from the County relative to the total cost of the project.

- R2. The Orange County Board of Supervisors should investigate and analyze the advisability and feasibility of selecting two or three sites for construction of animal care shelters to provide services accessible to all parts of the County. (F-4)**

Response: The recommendation requires further analysis.

Up to this point in time, the contract cities have not expressed a desire to move forward with additional regional shelters located throughout the County. The additional costs and limited land availability have made the concept of regional Shelters less feasible to the County and contract cities. The County and contract cities rigorously control the costs in Animal Care and staffing for multiple regional shelters would radically alter the cost of operations. Consequently, the general agreement has been to focus on construction of a new Shelter at the Tustin site.

Given the delays experienced in the acquisition of the Tustin site however, County Real Estate staff are initiating a review of all properties currently owned by the County to determine potential alternative sites for a new or second Animal Shelter. In the event that a site is deemed economically and programmatically feasible, the option as an alternative of second site will be presented to the contract cities.

The County is also exploring the concept of regional "Adoption Centers", which involves placement of multiple satellites throughout the County as a complement to the centralized regional Animal Shelter. These Adoption Centers would be run by private entities and would focus on adoption of animals acquired from the OC Animal Shelter, thereby reducing the capacity requirements and number of animals kept at the current or new Shelter. The primary emphasis of the Adoption Centers is to increase the level of positive outcomes of Shelter animals by making adoptions more convenient to local residents, providing additional pet education opportunities, and improving pet licensing compliance. The contract cities have generally expressed conceptual support for this proposed approach.

Funding would be provided in part by the County and contract cities. It is hoped that these entities would be able to leverage additional financial resources locally to expand the level of services provided.

The County is issuing a Request for Proposal to determine potential opportunities and partners in late August, 2015. It is anticipated that the evaluation process will be completed OC Community Resources and a response regarding this recommendation and the feasibility of the Adoption Center concept can be completed for submittal to the Grand Jury by the end of December, 2015. It is expected that a review of the County-owned properties for an alternative or second Animal Shelter site will be completed within that same timeframe.

R.3. The Orange County Executive Officer should seriously evaluate designating a staff member with the assignment of facilitating the construction of a new Animal Shelter. This individual's tasks should include negotiating with the contracting cities for their capital contributions, release of requests for proposals for building and site designs, coordination with the Board of Supervisors for the County to self-finance the project, and any other project-manager tasks needed for the successful creation of a new shelter or shelters. (F-1, F-2, F-3, F-4)

Response: This recommendation has been implemented.

The responsibility to coordinate the construction of a new Animal Shelter was assigned to the Director of OC Community Resources in 2008 with the formation of that department. The Director of OC Community Resources reports directly to the County Chief Operating Officer, who reports to the County Executive Officer.

The construction of a new Animal Shelter is a significant and complex task that cannot be completed by any one department. The various components of the task have necessarily been assigned throughout County staff and departments:

- Responsibility for negotiating on behalf of the County with the respective current and potential contract cities for the long-term funding agreements is assigned to the Director of OC Community Resources, in consultation with the CEO, County Counsel and the Chief Financial Officer on the respective negotiating points.
- Responsibility for the financing of the project and the related terms and financing conditions offered to the contract cities is assigned to the County Chief Financial Officer.
- Responsibility for the design and construction management for the new Shelter is assigned to the Director of OC Public Works. This responsibility includes releasing the request for proposals and project management for the actual planning and construction of the Shelter. Input will be sought from the Director of OC Animal Care and staff as to the design elements. Additionally, a Design Advisory Panel will be utilized and will consist, at a minimum, of representatives from the contract cities and representatives from various activist/animal advocate groups. General public input will be sought through public outreach workshops.

Upon development of the funding agreements and land acquisition, the Director of OC Community Resources will be charged with the responsibility of providing monthly reports on the overall project status, based upon input from the respective departments, to the Board of Supervisors, CEO, COO, CFO and contract cities. Changes in status, timing, budgetary changes, and any related matters affecting the

outcome of the project or policy matters are to be reported in a timely manner accordingly.

EXHIBIT G

County Response to Grand Jury Report –
“If Animals Could Talk About the Orange County Animal
Shelter”



DRAFT Responses to Findings and Recommendations
2014-15 Grand Jury Report:

“If Animals Could Talk About the Orange County Animal Shelter”

SUMMARY RESPONSE STATEMENT:

On June 17, 2015, the Grand Jury released a report entitled: “If Animals Could Talk About the Orange County Animal Shelter.” This report directed responses to findings and recommendations to the Orange County Board of Supervisors, Director of OC Community Resources, and OC Animal Shelter Director, which are included below.

FINDINGS AND RESPONSES:

F.1. **There are serious morale issues among Animal Shelter staff, many of which can be attributed to poor management practices and lack of effective leadership.**

Response: **Disagrees partially with the finding.** County of Orange acknowledges that the OC Animal Care employees have morale issues. The dedicated employees of OC Animal Care face many challenges that impact the morale of the workforce. The work is emotionally charged, technically challenging, and often places employees in uncomfortable situations. Other contributing factors include the high workload, high vacancy rate, an aging facility and being subjected to intense external scrutiny which perpetuates false information about OC Animal Care. The Grand Jury correctly noted that morale issues have existed in Animal Care Services over an extended period of time.

The Grand Jury’s assertion that poor management practice and lack of effective leadership caused the morale issues was not supported by specific facts or evidence of mismanagement. The morale issues in OC Animal Care Services pre-date the formation of OC Community Resources and continued throughout a progression of different managers.

The County of Orange acknowledges that there is room for improvement in the morale and support for the dedicated employees at OC Animal Care. Countywide focused efforts to examine and improve employee engagement and address morale will also include OC Animal Care needs.

F.2. The trap, neuter, and return practice is reportedly delaying the spaying, neutering, and treatment of domestic dogs and cats awaiting adoption and is evidence that the domestic animals have been assigned a lower priority for surgery than the spaying, neutering, and micro-chipping of the feral cats.

Response: Disagrees wholly with the finding. This finding is based on perceptions without factual substantiation. OC Animal Care does not delay any medically necessary treatment to animals. OC Animal Care implemented a schedule in spring 2014 that consistently meets the treatment needs of the domestic dogs and cats awaiting adoption as well as the surgery schedule for the trap, neuter and release program. Critical emergency cases are always given the highest priority. All routine surgeries are performed only after medical cases are properly assessed and treated.

F.3. Feral cats have been allowed to roam freely in and around the Animal Shelter and have been fed by Animal Shelter staff, possibly contributing to human and animal exposure to zoonotic diseases.

Response: Disagrees partially with the finding. The County of Orange concurs that three free roaming cats live on the premises of OC Animal Care.

These cats have been surgically sterilized, vaccinated and receive routine preventative flea treatment. Unlike the over 12,000 cats with unknown health histories that are impounded annually that are cared for by OC Animal Care staff, the 3 healthy, sterilized, vaccinated free roaming cats on the shelter campus pose no more risk than pet cats in a home environment. OC Animal Care data does not indicate an increase in zoonotic diseases at the shelter.

Credible third party literature from organizations such as the American Public Health Association and the UC Davis Koret School of Veterinary medicine outline the benefits of the trap, neuter and release programs in controlling rodents and that there are some risks associated with free roaming cats. OC Animal Care is mindful of the role that fleas in potential disease transmission. The shelter cats are treated for fleas and are monitored.

Eradication of free roaming cats would not eliminate zoonotic diseases as opossums, rodents and other domestic animals would still serve as reservoirs of

potential disease organisms. Other species that potentially carry fleas are present at the shelter on a regular basis.

F.4. Animal Control Officers do not have effective equipment or appropriate procedural options to deal with unique, emergency circumstances that may require special procedures such as tranquilizing and euthanizing in the field.

Response: **Disagrees partially with the finding.** OC Animal Control officers receive 6 months of intensive training and are provided with the skills and tools to handle a wide variety of field situations, including tranquilization and humane euthanasia. At this time, it is not legally permitted for officers to transport controlled substances and protocols reflect this limitation. Animal Control Officers have been issued the proper equipment to perform their duties under existing protocols.

Senate Bill 1162 (Runner) which authorizes animal control or humane officers to possess and administer tranquilizers that contain a controlled substance, was signed into law in September of 2012. The law gives animal control officers the ability to chemically restrain wild, stray, or abandoned animals for purposes of safe capture. The law states that officer administration of tranquilizers containing a controlled substance may only be performed under direct or indirect veterinary supervision, as determined by the supervising licensed veterinarian. The law also stipulates that several requirements must be met regarding animal control department policy and officer training before the use of tranquilizers containing a controlled substance

Officers may only possess and administer tranquilizers that contain a controlled substance if they have received training in the administration of these drugs from a licensed veterinarian. The training must be approved by the California Veterinary Medical Board and California Office of Administrative Law. The CAVMB approved the training in 2014 but approval from the California Office of Administrative Law is still pending.

OC Animal Care plans to promptly implement training when the necessary guidance is provided. March 3, 2015 the Board of Supervisors formally requested the Veterinary Medical Board file the training guidelines on an emergency basis to allow Orange County to expedite the deployment of controlled substances in the field.

- F.5. OC Animal Care is currently operating with a shortage of personnel, including Animal Control Officers (ACOs), thereby making it much more difficult for them to respond to calls in a timely manner throughout such a large county, especially since there is only one shelter to serve all of Orange County.

Response: Disagrees partially with the finding. The County of Orange recognizes that OC Animal Care has a significant vacancy rate that strains the Animal Control Officers' ability to respond to all the calls for service received by OC Animal Care. The vacancy rate was high due to budgetary constraints. The contract cities consented to the vacancy rates to control cost increases in the Animal Care program. Calls affecting public and animal safety receive the highest priority. Recruitments to fill OC Animal Care vacancies are on-going. OC Animal Care has been operating at a 20% vacancy rate for the last 2 years. The contract cities have since approved a budget that will decrease the vacancy rate to 10%. The FY 2015-16 budget includes funding to permanently fill nine (9) vacant positions.

The finding that response to calls for service is linked to the fact that the County operates the only animal shelter in the county is wholly inaccurate. OC Animal Care serves unincorporated areas and 18 contract cities. There are 34 cities in Orange County and a number of other shelters located in the following communities: Dana Point, Mission Viejo, Irvine, Newport Beach, Seal Beach, Laguna Beach and Huntington Beach. These shelters and the other non-contact cities provide their own field services with response times that vary depending respective operational procedures and staffing.

- F.6. There is little evidence that the Feral Free Program has been successful in reducing the feral cat population, which could be a contributing factor to the spread of zoonotic diseases.

Response: Disagrees partially with the finding. Initial indication in Orange County shows a positive impact. Overall cat intake decreased 9% and euthanasia decreased by 23% since program started. Impoundment and euthanasia of orphaned neonatal kittens has decreased 13%. Mature programs may see intakes decrease by 20-30% resulting from non-reproducing cats occupying existing niches in the community. Cats are not returned to schools, parks, mobile home parks, or County property identified as areas of concern by Vector Control.

An October 30, 2014 paper by Karen Johnson and Jon Cicirelli studied the impact of a shelter, neuter and return project involving 10,080 cats from March 2010 to June 2014 in San Jose, CA. This study reported that cat and kitten impounds decreased 29.1%, euthanasia dropped from 70% of intakes in 2009 to 23% of intakes in 2014, decrease in euthanasia at shelter from Upper Respiratory Disease decreases by 99% and dead cat pick up from the streets declined by 20%.

With a human population of 3.1 million in Orange County, it is estimated that there are 300,000 community cats (feral, unowned or semi-owned cats). Most agree that this population is growing. Prior to the implementation of the Feral Free Program, the method of "trap and kill" of community cats had previously been practiced by OC Animal Care for over 6 decades. Euthanasia of neighborhood cats impounded by animal shelters is an endless proposition that not only fails to decrease the number of community cats, it is believed to promote increased numbers of cats as cat territories shift and reproduction efforts among remaining cats increase in response to the pressure of culling. Studies have shown that culling even as many as 1/3 of community cats is counterproductive (Lazenby, et. al. 2015) and impractical. The paradigm on how to respond to the problem of community cats is shifting from one of "trap and kill" to "trap-neuter-release" as we are armed with the knowledge that returning sterilized cats back to their communities allows them to maintain their niche and keep unaltered newcomers out.

From the start of this program in April of 2013 to July, 2015, 3,879 cats have been released back into the communities from which they came, via the Feral Free Program. This is less than 1.3% of the community cats estimated to live in Orange County. Cats that are deemed candidates for the Feral Free Program are returned only to the communities from whence they came; feral cats are *not* relocated. OC Animal Care maintains that the Feral Free Program does not promote cat overpopulation—this problem existed long before the implementation of this TNR program.

Regarding zoonotic diseases, all cats in the Feral Free Program are vaccinated against rabies virus, a virus that is deadlier than Ebola. While the percentage of community cats impounded by OC Animal Care is small relative to the estimated number of community cats countywide, cats that have the most human contact are more likely to be represented in this group. Regarding Typhus, there were 34 cases of Typhus in Orange County in 2013, 18 cases in 2014 and 6 cases thus far in 2015. These numbers do not indicate that the 1.3% of community cats sterilized and returned in Orange County is having any demonstrable negative impact on zoonotic disease.

F.7. Kennels are hosed down with dogs still present in the kennels, resulting in the dogs getting soaked and becoming more susceptible to disease.

Response: Disagrees partially with the finding. While it is common for cages to be cleaned with dogs in the cages in older shelters throughout the state, OC Animal Care acknowledges that these dog cage cleaning practices are not ideal. OC Animal Care cleans occupied kennels with water, but kennel employees do not soak the dogs with a hose as depicted in the finding. OC Animal Care plans to implement procedures to allow kennel staff to keep dogs dry during the cleaning process. The “move-one-down” method does not take into consideration the significant control practices necessary to ensure proper identification of each dog housed at OC Animal Care. OC Animal Care is developing protocols whereby dogs would be segregated during the cleaning process. This will require additional staff and schedule adjustments to implement this practice. The modified cleaning process is expected to be fully implemented within 45 days after additional kennel staff are hired. In the interim, OC Animal Care makes an effort to clean enclosures without getting the animals wet.

F.8. Kennel attendants were observed leaving the large water hoses running when not being used for cleaning purposes, thereby wasting large quantities of water.

Response: Agrees with the finding. OC Animal Care reports that kennel attendants were using large water hoses for cleaning purposes. Employees self-identified the need to change practices in order to avoid leaving hoses running when not in use. Changes were implemented in 2014 to decrease water use such as moving to sweeping of driveways and walkways rather than hosing with water. Cages are spot cleaned if appropriate, so as to not use more water than reasonably necessary for effective cleaning and disinfection.

F.9. There is limited airflow and no air conditioning in the cat trailers. The conditions in these trailers increase the vulnerability to disease.

Response: **Partially agrees with the finding.** The air conditioning unit in the cat trailer was broken and the cats were housed in another location while repairs were made. The broken air conditioning unit has been replaced. Clinical observations of the cats held by OC Animal Care did not indicate an increase in communicable diseases as a result. Cat portals (openings created to adjoin two cages and thus afford greater space) have been installed and are expected to decrease stress to the cats and, therefore, decrease their length of stay. Fewer cats housed per trailer will improve the air exchange in each trailer. Cat portal installation was completed in June of 2015.

F.10. There is a rodent problem, creating additional risk of humans and animals contracting zoonotic diseases.

Response: **Agrees with the finding.** OC Animal Care has documented rodent activity at the OC Animal Shelter. The presence of rodents can contribute to an increased risk of disease transmission. OC Animal Care has actively addressed the presence of rodents through sanitation, professional pest control services and making repairs to prevent the entrance and harborage of rodents. However, the OC Animal Shelter maintains outdoor animal enclosures with supplies of food and water for impounded animals. This arrangement will also attract rodents, insects and other pests. Due to the location next to a riverbed and outdoor nature of the facility, it is unlikely that OC Animal Shelter can completely eliminate the presence of rodents from the facility.

RECOMMENDATIONS AND RESPONSES:

R.1. Consider a change of leadership within the Orange County Community Resources Department and arrange for mandatory leadership training for all managers and supervisors that includes a curriculum of leadership skills, people skills, and diversity (F.1.).

Response: **The recommendation will not be implemented because it is not warranted or reasonable.** The recommendation to consider a change of leadership within the Orange County Community Resources Department is beyond the scope of the Orange County Grand Jury which is authorized to conduct investigations, make findings and recommendations but not to engage in operational transactions such as personnel actions.

OC Animal Care leadership is already in a significant period of transition, on

April 17, 2015, OC Community Resources appointed Dr. Jennifer Hawkins, DVM as the OC Animal Care Director. Dr. Hawkins is a well-respected veterinarian. She has been assisted by an Interim Assistant Animal Care Director, who is a veteran manager with the County of Orange. OC Community Resources is in the process of completing the recruitment for a permanent Assistant Director for OC Animal Care. In addition, the Manager over Field Services announced intent to retire effective August 21, 2015. The leadership composition at OC Animal Care is changing.

However, the recommendation for mandatory leadership training for all managers and supervisors has been implemented by the County of Orange. OC Community Resources is participating in the County's mandatory training. In addition to mandatory training, OC Community Resources Staff Development and Training also offers additional training open to all employees in collaboration skills, managing stress, developing trust and respect, eliminating workplace negativity, and other topics to support the workforce.

R2. Discontinue the practice of giving feral cats priority for surgery over the domestic dogs and cats awaiting adoption (F.2.).

Response: The recommendation will not be implemented because it is not warranted. This recommendation is based on a flawed finding. OC Animal Care does not delay any medically necessary treatment to animals. The decision to prioritize medical treatment for impounded animals is a clinical decision that must be made by a licensed veterinarian not a civil grand jury. The veterinarian staffing pattern and surgery schedule at OC Animal Care is adequate to meet the treatment needs of the domestic dogs and cats awaiting adoption, as well as to address the surgical needs of the trap, neuter and release program.

R3. Discontinue feeding feral cats and allowing feral cats to roam freely in and around the Animal Shelter (F.3.).

Response: The recommendation will not be implemented because it is not warranted. The County does not have conclusive scientific evidence that the three free roaming cats at the OC Animal Shelter pose an increased disease risk to the people or the animals at the facility. The three cats have been surgically sterilized, vaccinated and receive routine preventative flea treatment. Working Cats Programs are accepted among shelter and humane organizations nationwide. These programs identify cats unsuited for indoor living and place them with people who will provide care for them while they provide environmentally safe pest control in warehouses, ranches or similar areas. OC

Animal Care considers its 3 free roaming cats to be working cats that provide adjunct control of rodents in the outdoor animal facility.

- R4. Develop proper protocols for Animal Control Officers to follow when confronted with unique circumstances in the field that require tranquilizing or euthanizing animals and take all measures necessary to ensure that the Animal Control Officers can be given the proper equipment and training in that regard (F.4.).

Response: The recommendation has not been implemented but will be implemented in the future. Currently, it is not legally permitted for officers to transport controlled substances. OC Animal Care provides 6 months of intensive training to ensure that Animal Control Officers have skills and tools to address a wide variety of urgent and emergent situations that may require euthanizing or tranquilizing animals. Animal Control Officers have been issued the proper equipment to perform their duties consistent with existing protocols.

Senate Bill 1162 (Runner) which authorizes animal control or humane officers to possess and administer tranquilizers that contain a controlled substance, was signed into law in September of 2012. The law gives animal control officers the ability to chemically restrain wild, stray, or abandoned animals for purposes of safe capture. The law states that officer administration of tranquilizers containing a controlled substance may only be performed under direct or indirect veterinary supervision, as determined by the supervising licensed veterinarian. The law also stipulates that several requirements must be met regarding animal control department policy and officer training before the use of tranquilizers containing a controlled substance may be used.

Officers may only possess and administer tranquilizers that contain a controlled substance if they have received training in the administration of these drugs from a licensed veterinarian. The training must be approved by the California Veterinary Medical Board and California Office of Administrative Law. The CAVMB approved the training in 2014 but approval from the California Office of Administrative Law is still pending.

OC Animal Care plans to promptly implement the approved training when the necessary guidance is provided from the State.

- R5. Establish a more aggressive approach in hiring qualified personnel on a timely basis, especially with the position of Animal Control Officer (F.5.).

Response: The recommendation has been implemented. OC Community Resources advertised the planned recruitment for Animal Control Officer Trainees beginning June 2, 2105 and the process is proceeding. The adopted budget for FY 2015-16 includes \$454,000 to permanently fill nine (9) vacant positions in OC Animal Care.

R6. Conduct an evaluation of the Feral Free Program to determine its effectiveness in the reduction of zoonotic diseases. (F.6.).

Response: The recommendation has not yet been implemented but will be implemented in the future. OC Animal Care plans to analyze the outcomes and data for the Feral Free Program approximately 7 to 10 years after implementation in order to have enough data to draw meaningful conclusions on whether the program is able to reduce the numbers of community cats, reduce the number of impounds and reduce the need for euthanasia at the OC Animal Shelter.

The Feral Free Program's primary purpose and goal was not to address zoonotic diseases but to control increases in community cat populations, in impounds and euthanasia. However, it is anticipated that by reducing the reproductive potential of the community cats, the Feral Free Program should not increase the prevalence of zoonotic disease.

R7. Utilize the "move-one-down" method for cleaning kennels to avoid soaking the animals. (F.7.).

Response: The recommendation will not be implemented because it is not reasonable. The "move-one-down" method does not take into consideration the significant control practices necessary to ensure proper identification of each dog housed at OC Animal Care. However, OC Animal Care is developing new cage cleaning protocols whereby dogs would be segregated during the cleaning process. This will require additional staff and schedule adjustments to implement this practice.

OC Animal Care will implement a cage cleaning method in which the dog is physically separated from the area being cleaned without moving the animals from kennel to kennel as recommended by the Grand Jury. OC Animal Care is making modifications/repairs to the kennels to use the drop down doors that separate the front and back of the cages to segregate dogs from the areas being cleaned. This cleaning method will be deployed when the doors are repaired or replaced and within 45 days after the additional employees are available.

R8. Place nozzles on all water hoses and direct kennel attendants to turn off the water when not being used. (F.8.).

Response: The recommendation will not be implemented as it is not reasonable. The spray nozzles have been shown to aerosolize bacteria which increase the risk of disease transmission. However, OC Animal Care implemented new cleaning protocols using less water pressure and includes water saving measures.

R9. Improve the ventilation system in all cat trailers for the health and survival of the cats (F.9.).

Response: The recommendation has been implemented. The repairs to the inoperable air conditioning unit were completed prior to the issuance of the Grand Jury report. Besides air conditioning replacement, further modifications to the air conditioning and ventilation system are not advisable because the trailers will be replaced. OC Animal Care will request bids for new cat trailers in FY 2015/16 and will ensure new trailers have the proper air conditioning and ventilation for optimum cat health.

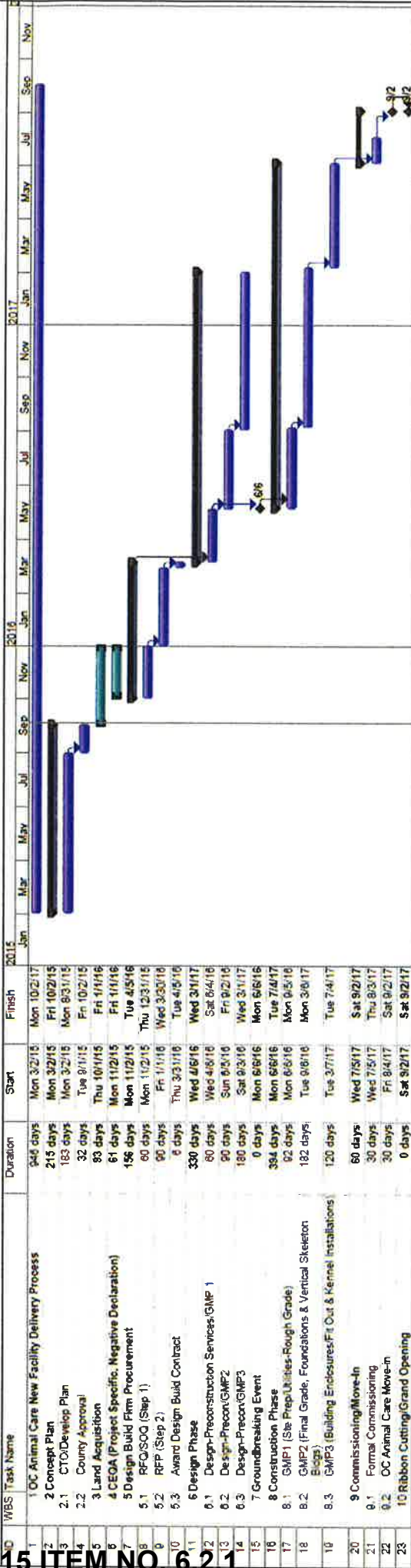
R10. Promptly control the rodent population in order to reduce the possibility of spreading diseases to human beings and animals (F.10.).

Response: The recommendation has been implemented. OC Animal Care Services is actively addressing the presence of rodents with a professional pest control service and the Working Feral Cats on the OC Animal Care property.

EXHIBIT H

New Shelter Project Schedule

OC Animal Care-Design Build Two Step



GROUND BREAKING:
JUNE 6, 2016

GRAND OPENING:
SEPTEMBER 2, 2017

Project: OC Animal Care New Facility
Date: Mon 10/5/15
OCCRH-Hillshiem

Task
Split
Milestone
Summary

Project Summary
External Tasks
External Milestone
Inactive Task

Inactive Milestone
Inactive Summary
Manual Task
Duration-only

Manual Summary Rollup
Manual Summary
Start-only
Finish-only

Progress
Deadline

OCTOBER 6, 2015

Page 1

EXHIBIT I

Letters Dated February 25, 2013

To Cities of

Irvine, Mission Viejo, Laguna Beach, San Clemente and Dana
Point



CITY OF LAGUNA HILLS

City Manager

February 25, 2013

Mr. Sean Joyce
City Manager
City of Irvine
1 Civic Center Plaza
Irvine, CA 92606-5208

Dear Sean:

As you know, the City of Laguna Hills currently contracts with Orange County Animal Care Services for both shelter and field services. There continues to be strong interest among an organized group of our residents to move to an alternative service provider that will provide a better level of care for animals. Your city is one that they are interested in speaking with.

The Laguna Hills City Council has expressed a willingness to revisit this issue and has formally authorized a small group of interested citizens to approach animal care service providers in South Orange County to determine if there is a willingness to extend shelter and field services to Laguna Hills, through a contractual arrangement.

We would greatly appreciate your cooperation with this group by affording them access to those members of your staff who have knowledge of animal control/sheltering practices and issues. Prior to making contact with your staff, a representative of this group will provide you with a letter outlining the desired information that they wish to obtain and requesting your approval to meet with them for the purpose of discussing the information provided. The results of this exploratory effort are expected to be presented to our City Council in late April.

Should you have any questions or wish to discuss this matter, please do not hesitate to give me a call at (949) 707-2610.

Sincerely,


BRUCE E. CHANNING
City Manager

Cc: City Council



CITY OF LAGUNA HILLS

City Manager

February 25, 2013

Mr. Dennis Wilberg
City Manager
City of Mission Viejo
200 Civic Center
Mission Viejo, CA 92691

Dear Dennis:

As you know, the City of Laguna Hills currently contracts with Orange County Animal Care Services for both shelter and field services. There continues to be strong interest among an organized group of our residents to move to an alternative service provider that will provide a better level of care for animals. Your city is one that they are interested in speaking with.

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Sincerely,


BRUCE E. CHANNING
City Manager

Cc: City Council



CITY OF LAGUNA HILLS

City Manager

February 25, 2013

Mr. John Pietig
City Manager
City of Laguna Beach
505 Forest Avenue
Laguna Beach, CA 92651

Dear John:

As you know, the City of Laguna Hills currently contracts with Orange County Animal Care Services for both shelter and field services. There continues to be strong interest among an organized group of our residents to move to an alternative service provider that will provide a better level of care for animals. Your city is one that they are interested in speaking with.

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Should you have any questions or wish to discuss this matter, please do not hesitate to give me a call at (949) 707-2610.

Sincerely,


BRUCE E. CHANNING
City Manager

Cc: City Council



CITY OF LAGUNA HILLS

City Manager

February 25, 2013

Mr. George Scarborough
City Manager
City of San Clemente
100 Presidio
San Clemente, CA 92672

Dear George:

As you know, the City of Laguna Hills currently contracts with Orange County Animal Care Services for both shelter and field services. There continues to be strong interest among an organized group of our residents to move to an alternative service provider that will provide a better level of care for animals. Your city is one that they are interested in speaking with.

The Laguna Hills City Council has expressed a willingness to revisit this issue and has formally authorized a small group of interested citizens to approach animal care service providers in South Orange County to determine if there is a willingness to extend shelter and field services to Laguna Hills, through a contractual arrangement.

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Should you have any questions or wish to discuss this matter, please do not hesitate to give me a call at (949) 707-2610.

Sincerely,

BRUCE E. CHANNING
City Manager

Cc: City Council



CITY OF LAGUNA HILLS

City Manager

February 28, 2013

Mr. Doug Chotkevys
City Manager
City of Dana Point
33282 Golden Lantern
Dana Point, CA 92629

Dear Doug:

As you know, the City of Laguna Hills currently contracts with Orange County Animal Care Services for both shelter and field services. There continues to be strong interest among an organized group of our residents to move to an alternative service provider that will provide a better level of care for animals. Your city is one that they are interested in speaking with.

The Laguna Hills City Council has expressed a willingness to revisit this issue and has formally authorized a small group of interested citizens to approach animal care service providers in South Orange County to determine if there is a willingness to extend shelter and field services to Laguna Hills, through a contractual arrangement.

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Should you have any questions or wish to discuss this matter, please do not hesitate to give me a call at (949) 707-2610.

Sincerely,

BRUCE E. CHANNING
City Manager

Cc: City Council



City of Laguna Hills City Council Meeting Agenda Staff Report

DATE: OCTOBER 27, 2015

TO: MAYOR AND COUNCIL MEMBERS

**FROM: KENNETH H. ROSENFELD, P.E.
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER**

ISSUE: BECKENHAM STREET PARKING REGULATION

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ESTABLISHING A PREFERENTIAL RESIDENTIAL PARKING PERMIT AREA FROM 10:00 P.M. TO 6:00 A.M. AND A NO PARKING ZONE DURING DAYS AND HOURS OF STREET SWEEPING ON BECKENHAM STREET FOR THE BENEFIT OF THE ADJOINING ACACIA KNOLLS AND SUNSET PLACE RESIDENTS."

SUMMARY:

The City was recently contacted by a resident of the Acacia Knolls gated community regarding overnight parking along Beckenham Street between Paseo de Valencia and Wilkes Place. The resident stated that parking consists of out-of-neighborhood vehicles that arrive and leave during late night and early morning hours and contribute to disturbing noise and litter. In 2014, staff received a similar complaint, prepared an analysis, and presented a report to the Traffic Commission at its November 19, 2014 meeting. No action was determined warranted at that time. Based on new field surveys conducted in 2015 at various times along Beckenham Street, there is an average of 30 vehicles parked along this street on a nightly basis. A number of these vehicles could be associated with adjacent residential properties; however, it is likely that a majority are overflow vehicles from residents of other neighborhoods. During the field surveys, staff did not observe any traffic violations and all vehicles were noted as being legally parked. At its meeting of September 16, 2015, the Traffic Commission, following comments from residents, recommended to the City Council the establishment of a Permit Parking Program from 10:00 p.m. to 6:00 a.m. on Beckenham Street for the sole benefit of the residents of the Acacia Knolls and Sunset Place neighborhoods. A Resolution to implement a Permit Parking Program is attached to this report.

Although the implementation of a Permit Parking Program may be beneficial to the residents of the aforementioned neighborhoods, it does not guarantee the elimination of disturbing

noise and litter emanating from parking activities. Further, residents that will not be eligible for the Permit Parking Program will surely park their vehicles on other nearby streets. A No Parking restriction from 10:00 p.m. to 6:00 a.m. would be more suitable to address the specific complaints but would also not resolve overflow parking demands. Maintaining the existing parking supply may be the best solution. If the City Council chooses to implement an alternative parking control, such as a No Parking Restriction from 10:00 p.m. to 6:00 a.m. or any other option, staff will return to the City Council with an additional Staff Report.

BACKGROUND:

Beckenham Street is two-way collector street with a 30 mile per hour (mph) speed limit. It serves as access to office buildings, residential areas, and Beckenham Park. There are no fronting residential properties. There is a closed "fire gate" barricade at the intersection of Beckenham Street and Wilkes Place. There are selective "No Parking Any Time" zones at several locations along Beckenham Street. These restricted parking zones have been created to provide drivers with unrestricted visibility of approaching traffic when exiting Sunset Place or Acacia Lane.

Recently, Ms. Mary Pruitt, a resident of the gated Acacia Knolls neighborhood, has stated concerns about out-of-neighborhood parking along Beckenham Street during night-time hours. She reported that residents from the adjacent "apartment complex" drop off their cars at night and pick them up in the early morning hours. She has stated that this activity generates intolerable noise, including music, disturbing her sleep and contributing to litter on the street. In 2014, staff received a similar complaint and presented a report to the Traffic Commission at its November 19, 2014 meeting. No action was determined to be warranted at that time.

Upon receiving the current complaints, staff researched the parking restrictions along Beckenham Street and again performed multiple field surveys. The surveys identified approximately thirty (30) vehicles parked along Beckenham Street on a nightly basis but did not identify any new traffic control or traffic safety concerns. The Sheriff's Department has also been patrolling the area and has been called out to the site on multiple occasions to respond to noise disturbance complaints. Some citations for vehicle parking adjacent to a fire hydrant have been issued. On-street parking on Beckenham Street serves as access to Beckenham Park during daily operation hours of dawn to 10:00 p.m.

Though it is likely that out-of-neighborhood resident parking is occurring on Beckenham Street, and these activities are generating some noise during night and early morning hours, it is noted that Beckenham Street is a public street and the parking activity is normal and expected on any public street. Further, this nightly parking activity is not reducing parking supply in front of any residential property. Staff's field surveys and assessment did not reveal traffic safety or traffic control issues along Beckenham Street. At any given time, the surveys revealed that there were still parking spaces available on the street. This parking

issue was presented for discussion before the Traffic Commission for a second time on September 16, 2015.

The Staff Report to the Traffic Commission offered a variety of options to address the concerns of the resident about parking on Beckenham Street as follows:

- Take no action.
- Establish a time-limited parking restriction such as a 2-hour parking restriction. (Not recommended due to the need for constant traffic enforcement.)
- Establish no overnight parking from 2:00 a.m. to 6:00 a.m.
- Establish no parking from 10:00 p.m. to 6:00 a.m. (Hours coincident with closed Beckenham Park hours.)
- Establish no parking anytime. (Not recommended due to the need to maintain parking for persons driving to and utilizing Beckenham Park and potentially for use by patrons of the commercial properties.)
- Establish a Permit Parking Program and identify the persons to have access to this Program.

At the Traffic Commission meeting of September 16, 2015, the Traffic Commission discussed the above-mentioned options for parking restrictions along Beckenham Street. The residents of Acacia Knolls that addressed the Commission indicated their desire to retain some form of parking along Beckenham Street; hence, they were not supportive of fully restricting parking. After a detailed discussion, the Commission is recommending to the City Council the establishment of a Permit Parking Program from 10:00 p.m. to 6:00 a.m. on Beckenham Street to the benefit of the residents of the immediately adjacent Acacia Knolls and Sunset Place neighborhoods.

Though permit parking from 10:00 p.m. to 6:00 a.m. is a viable option, it does not directly address the complaint of nighttime noise, litter, and stated disturbance. Hence, restricting parking overnight from 10:00 p.m. to 6:00 a.m. (hours coincident with closed Beckenham Park hours) may be more appropriate to address the specific complaints that have been generated. If the City Council decides to proceed with "No Parking from 10:00 p.m. to 6:00 a.m." or any other option, then staff will return to the City Council with a revised Staff Report.

Staff notes the likely result of a parking regulation program on Beckenham Street will be the displacement of parking vehicles to other nearby streets of Sunset Place, Wilkes Place, and Costeau Street.

If approved, a Permit Parking Program along Beckenham Street would be similar to the ones along Gordon Road and Indian Hill Lane in that permits would be issued to residents of selected neighborhoods, and no guest parking permits, or special event permits would be issued. As has been implemented in other locations, there is also proposed to be an annual

\$15 permit fee per vehicle registered to an address in the selected neighborhoods to cover administrative costs of the Permit Parking Program.

In addition to the establishment of any parking restrictions, staff also recommends the establishment of a No Parking Zone during the days and hours of street sweeping. This would occur on the second and fourth Tuesday of each month from 8:00 a.m. to Noon on Beckenham Street. This will assist in keeping the street clean, pick up litter, and benefit the City's water quality program.

FISCAL IMPACT:

The implementation of a Permit Parking Program on Beckenham Street would require the installation of six signs and the printing of parking decals at an estimated cost of \$2,000. Funds for this work are available in the Public Services Department Operating Budget.

ATTACHMENTS:

- Resolution
- Vicinity Map
- Site photos

RESOLUTION NO. 2015-10-27-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ESTABLISHING A PREFERENTIAL RESIDENTIAL PARKING PERMIT AREA FROM 10:00 P.M. TO 6:00 A.M. AND A NO PARKING ZONE DURING DAYS AND HOURS OF STREET SWEEPING ON BECKENHAM STREET FOR THE BENEFIT OF THE ADJOINING ACACIA KNOLLS AND SUNSET PLACE RESIDENTS

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, Vehicle Code Section 22507, subdivision (a), authorizes the City to establish preferential parking privileges on public streets and to adopt provisions that are reasonable and necessary to ensure the effectiveness of the preferential parking program; and

WHEREAS, Vehicle Code Section 22507, subdivision (b), authorizes the City to establish preferential parking permits for the benefit of designated groups on specified streets if the City determines that the use of the permits will not adversely affect parking conditions for residents and merchants in the area; and

WHEREAS, in addition the establishment of no parking zones during days and hours of street sweeping improves traffic circulation, community aesthetics, and furthers the City's goal of achieving improved water quality; and

WHEREAS, the City Engineer, upon the recommendation of the Laguna Hills Traffic Commission, has determined that the establishment of a preferential Residential Permit Parking Area along Beckenham Street from Paseo de Valencia to Wilkes Place for the benefit of the adjoining Acacia Knolls and Sunset Place residents, as well as a No Parking Zone during days and hours of street sweeping, is necessary in order to alleviate adverse parking conditions in the area, improve community aesthetics, and further the City's goal of achieving improved water quality; and

WHEREAS, establishment of a proposed Residential Permit Parking Area and a No Parking Zone during days and hours of street sweeping on Beckenham Street from Paseo De Valencia to Wilkes Place, as specified herein, is not a "Project" pursuant to California Environmental Quality Act (Pub. Resources Code, Section 21000 *et seq.*) ("CEQA"); and

WHEREAS, the Laguna Hills Traffic Commission, at its regularly scheduled meeting of September 16, 2015, voted to recommend that the City Council establish a preferential Residential Permit Parking Area from 10:00 p.m. to 6:00 a.m. for the benefit

of the adjoining Acacia Knolls and Sunset Place residents, and a No Parking Zone during the days and hours of street sweeping, on Beckenham Street from Paseo De Valencia to Wilkes Place, as specified herein; and

WHEREAS, pursuant to Vehicle Code Section 22507, the parking of any type of vehicle on certain streets or highways may be prohibited or restricted by a general law city, during all or certain hours of a day, where signs or markings giving adequate notice of such regulations have been placed.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The high demand for parking on Beckenham Street from Paseo De Valencia to Wilkes Place is determined to be adverse to the health, safety, welfare, and interest of the adjoining Acacia Knolls and Sunset Place residential property owners.

SECTION 2. In order to regulate and effectively manage residential curbside parking at locations at which a high demand for parking on residential streets has been determined, a preferential Residential Parking Permit Area in effect from 10:00 p.m. to 6:00 a.m. daily is hereby established on Beckenham Street from Paseo De Valencia to Wilkes Place for the benefit of the adjoining Acacia Knolls and Sunset Place residents.

SECTION 3. As determined by the City Engineer and the Laguna Hills Traffic Commission, the City Council hereby finds and determines that the use of the preferential Residential Parking Permit Program established herein will not adversely affect parking conditions for residents and merchants in the area.

SECTION 4. The City Engineer is authorized to establish rules and procedures, and to produce signs, forms, and other materials necessary, or appropriate, to implement the provisions of the preferential Residential Parking Permit Program hereby established.

SECTION 5. The Residential Parking Permit Program authorized herein shall be subject to the following provisions:

- A. Applications for parking permit decals as authorized herein may only be made by residents of both Acacia Knolls and Sunset Place residential developments adjacent to Beckenham Street.
- B. Applications shall be the sole responsibility of the applicant and shall be

filed with the City Engineer, or his designated representative.

- C. Each applicant must be 18 years of age or older.
- D. Each residential property will receive one permit parking decal per vehicle registered to a resident of the property.
- E. Permit parking decals shall only be issued for personal passenger vehicles including pick-up trucks under two-ton capacity.
- F. Construction or commercial vehicles shall not qualify for issuance of a parking permit decal.
- G. Any parking permit decal issued pursuant to this Residential Permit Parking Program to a resident shall be valid for one year and shall only be issued to the registered owner of the vehicle, so long as the person to whom the permit is issued owns the vehicle and resides within the established residential permit parking area.
- H. Permit parking decals are non-transferable.
- I. Permit parking shall be prohibited on days and hours of City street sweeping.
- J. Permit parking is subject to the City's established consecutive 72-hour parking prohibition. (See, LHMC Sections 11-12.040 and 11-12.070.)
- K. Applicants for permit parking decals shall pay to the City a \$15 annual administrative fee for each decal and/or replacement.
- L. No guest permit/placards shall be issued.
- M. No one-day special event permits shall be issued.
- N. A permit parking decal issued shall be permanently affixed to the left inside rear window of the vehicle for which it was issued.

SECTION 6. Additionally, there is hereby established a No Parking Zone during the days and hours of street sweeping on Beckenham Street from Paseo De Valencia to Wilkes Place on the second and fourth Tuesday of every month between the hours of 8:00 a.m. to 12:00 p.m.

SECTION 7. The City Engineer is hereby directed to and shall cause signs

and/or markings to be placed giving adequate notice of the preferential Residential Parking Permit Area and the No Parking Zone authorized and established herein.

SECTION 8. The City Council finds and determines that the Residential Parking Permit Area and No Parking Zone hereby established are not subject to the California Environmental Quality Act pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, Cal. Code of Regs, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

PASSED, APPROVED, AND ADOPTED this 27TH day of October 2015.

DORE J. GILBERT, M.D., MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. x adopted by the City Council of the City of Laguna Hills, California, at a Regular Meeting thereof held on the 27TH day of October 2015, by the following vote:

AYES:

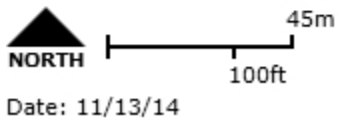
NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK



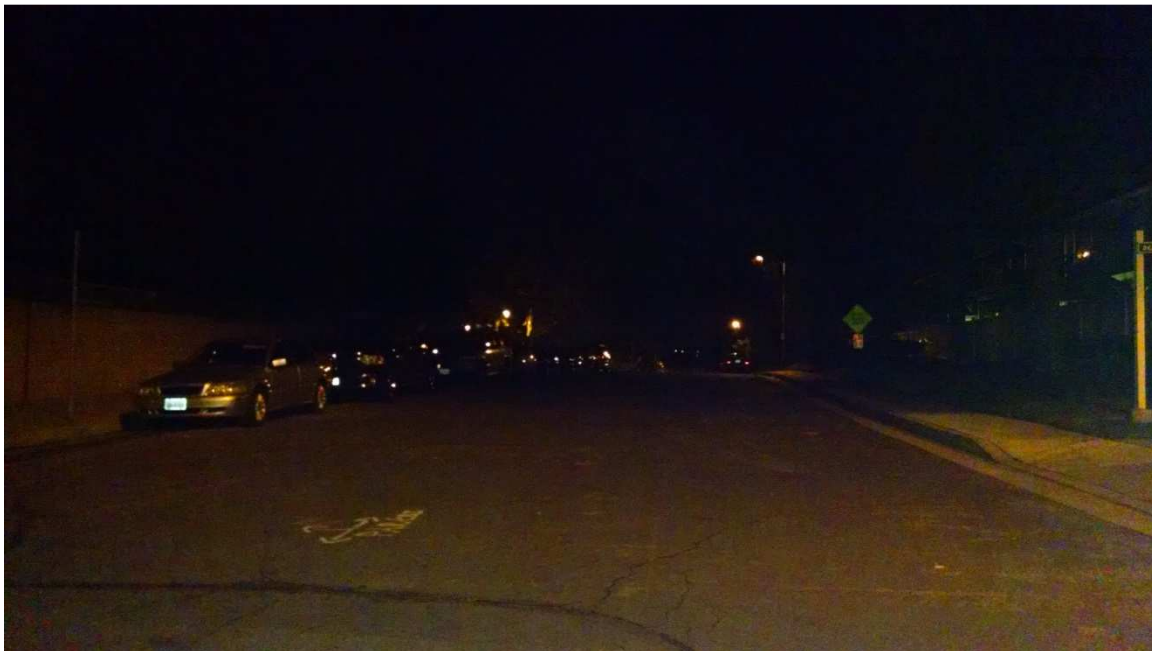
VICINITY MAP



SITE PHOTOS



Looking Westerly from the end of Beckenham Street.



Looking Easterly along Beckenham Street at the intersection of Acacia Lane.



Looking easterly along Beckenham Street toward Gate



Looking easterly along Beckenham Street at the intersection of Sunset Place