

Agenda
ANIMAL CARE SERVICES ADVISORY BOARD MEETING
ACS Facility, 4710 State Highway 151, San Antonio, TX 78227
Wednesday, May 15, 2013 AT 6:30 PM

At any time during the Animal Care Services Advisory Board Meeting, the Board may meet in Executive Session regarding any of the matters posted below in compliance with the Texas Open Meetings Act (Attorney-client, Personnel, Security, and Real Estate) under Chapter 551 of the Texas Government Code.

- I. Call to Order
- II. Citizens to be Heard
- III. To discuss and possible vote regarding the operational plan of the Brackenridge facility to be opened October 2013 – *Presented by Kathy Davis*
- IV. To discuss and possible vote the usage of \$2.2M Bond funding designated to increase Kennel Capacity – *Presented by Kathy Davis*
- V. Set next meeting date
- VI. Adjournment

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CITY CLERK
MAY -9 AM 11:19

DISABILITY ASSISTANCE NOTICE

This meeting site is wheelchair accessible. Parking is available. **Auxiliary Aids and Services are available upon request (Interpreters for the Deaf must be requested forty-eight [48] hours prior to the meeting).** For Assistance, Call (210) 207-7245 Voice/TTY.

Esta reunión es accesible a personas incapacitadas. Se hará disponible el estacionamiento. **Equipo y servicios adicionales (interpretes para los sordos) se harán disponibles si se pide con cuarenta y ocho (48) horas de anticipación a la reunión.** Para asistencia llame al (210)207-7245 por voz/servicio de TTY.

**CITY OF SAN ANTONIO
ANIMAL CARE SERVICES
INTERDEPARTMENTAL CORRESPONDENCE**

TO: ACS Advisory Board

FROM: Kathy Davis, Director, Animal Care Services

SUBJECT: Briefing and possible action regarding the operational plans for the City's new adoption center, pavilion, and spay/neuter clinic located near Brackenridge Park

DATE: May 15, 2013

SUMMARY

Staff will provide a briefing on the following items:

- A) A contract with San Antonio Pets Alive! (SAPA!) to manage and operate the new Paul Jolly Center for Pet Adoptions and Petco Pavilion, providing a live release outcome for a minimum of 3,000 pets per year for an initial term of three (3) years, beginning October 1, 2013, with the option to renew the lease, if successful, for up to five (5) two-year terms.
- B) A contract with Petshotz, Inc. to manage and operate the new Petco Spay and Neuter Clinic, providing a minimum of 18,000 total sterilization surgeries by the end of the third year for an initial term of three (3) years, beginning October 1, 2013, with the option to renew the lease, if successful, for up to five (5) two-year terms.

BACKGROUND

In September of 2011, the Animal Care Services Department (ACS) updated the Strategic Plan by focusing on three key departmental strategies: (1) Enhanced Enforcement of existing laws and codes; (2) controlling the stray animal population; and (3) increasing the City's Live Release rate. As a result, the Department was able to increase its Live Release rate from 31% in FY 2011, to a record high 61% in FY 2012. ACS did this while at the same time increasing its capacity by over 20%. Since January 2013, ACS's Live release rate as averaged 81% (78% since October 2012).

In FY 2010 the City Council approved the building of a new ACS facility at 210 Tuleta (the former site of the City's Animal Care Facility) and budgeted \$1.8 Million for construction in order to help increase its Live Release rate. Several public sessions were held to gather input from the community on the design and functionality of the new facility. On November 4, 2010 a contract with Jackson Ryan Architects for design services was approved to use the feedback received by the community and develop a site master plan for an adoption center (7,300 square feet), public pavilion (2,300 square feet), and spay and neuter clinic (1,600 square feet). Once completed, the facility is estimated to have the capacity to hold 50-56 dogs and 26-30 cats

Since FY 2010, the City added \$3.6 Million to fully fund the construction of this project and in August 2012, the City Council authorized its construction contract with Davala Construction Inc. Construction of the new facility began in September 2012 with a ground breaking ceremony in

October 2012. Today, the project remains on schedule and should be completed by October 2013.

Because of the City's commitment to increasing its Live Release rate, in FY 2012, the Department received \$1,000,000 in donations from the Petco Foundation and the Petco Corporation for programs and efforts that enhance animal welfare at ACS. This donation will be paid out in two \$100,000 installments annually through FY 2016. The Department has designated the use of these funds to offset the cost of the High Volume Pet Program (HVPP) and other expenses associated with the increase in the Department's Live Release rate. In return, the City has agreed to name the new adoption center, in perpetuity, the "Paul Jolly Center for Pet Adoptions." Paul Jolly is a lifelong animal advocate and Petco Foundation executive. In addition, the new Clinic and Pavilion will be named the Petco Spay and Neuter Clinic and the Petco Pavilion, respectively.

It is not the expectation of the City to operate or staff this new facility. While revising the department's Strategic Plan, ideas were generated during the community hearings detailing the importance of increasing community partnerships in order to help solve the City's stray animal problem. During these discussions, it was mentioned that the operation of the new Brackenridge facility could be contracted out to an organization that specializes in adoptions and high-volume veterinary services. It was believed that doing so could provide the city savings (estimated as high as \$1.9 M annually), increase the city's Live Release rate, and solidify important and beneficial partnerships.

On December 7, 2012, the City released a Request for Proposal (RFP) to obtain proposals from Respondents for the management and operation of the new facility. The RFP asked for plans that would: (1) ensure a live release outcome for a minimum of 3,000 pets rescued solely from ACS; (2) provide up to 8,000 low-cost spay/neuter surgeries annually for the community; (3) provide low cost vaccination services for the community; and (4) manage the use of the facility's adoption center, clinic, and pavilion. The City held a pre-submittal conference at Animal Care Services on December 18, 2012 to answer questions of potential Respondents. Three (3) separate organizations were in attendance. The proposal was also advertised to the public in publications such as the San Antonio Express News, the City's Website and TVSA (Time Warner Cable Channel 21). In addition, outreach notices were sent to existing animal care partners notifying them of the RFP and how to apply.

The RFP closed on January 18, 2013 with one joint submission from San Antonio Pets Alive! (SAPA!) and Petshotz, Inc. This submission was initially reviewed by a selection committee consisting of representatives from the City Manager's Office, Animal Care Services, Animal Care Services Advisory Board, Building and Equipment Services, CIMS, ITSD, and Center City Development Office. Once the committee determined that the proposal met the RFP's minimum requirements, representatives from SAPA! and Petshotz, Inc. were interviewed in-person to answer additional follow-up questions.

San Antonio Pets Alive! (SAPA!), which introduced the successful Austin Pets Alive! model and programs to San Antonio, began its partnership with ACS as a High Volume Pet Partner (HVPP) on January 19, 2012. Through this initiative, SAPA! contracted with ACS for \$200,000 to rescue a minimum of 4,000 pets annually. This contract was renewed on November 1, 2012 by City council for up to three (3) one-year terms. Since their inception, SAPA! has rescued over 8,100 pets from ACS, the most out of all of the Department's rescue partners. Additionally, SAPA! has

secured community support of over 500 fosters, 900 volunteers, and 10,000 Facebook followers, helping to share the responsibility of caring for and marketing their pets.

SAPA! currently operates one of the buildings at ACS, and cares for 35-50 onsite pets and over 500 offsite pets in foster homes. SAPA! employs focused and dedicated Adoption Counselors and Placement staff that matches pets with their forever families through online marketing and in-person customer service. SAPA! has full-time animal care staff that clean and care for the shelter pets using standard of care cleaning practices. SAPA! also operates two offsite adoption events per day held at local pet retailers as well as weekly adoption events for fostered pets and operates an additional facility close to ACS that houses cats and kittens for adoption.

Petshotz, Inc. was formally established in 2006 to help pet owners better afford to vaccinate and provide needed veterinary care to the well deserving pets of our community. Petshotz's high volume spay neuter veterinarian has a sterilization rate of 9,600 pets annually. On January 19, 2012, Petshotz entered into contract with the City to provide up to 9,000 in-house spay and neuter surgeries to ACS pets. Petshotz also offers free and low-cost vaccination clinics to the community that is held once a week on ACS' campus. Furthermore, Petshotz coordinates with the department's Comprehensive Neighborhood Sweeps Initiative (CNSI) to offer free rabies vaccines and city licenses in conjunction with additional low-cost vaccines to targeted areas in the community identified as having the high calls-for-service requests and reported stray animals. In the past three years, Petshotz, Inc. has vaccinated over 18,000 pets in partnership with ACS.

Based on the joint proposal and corresponding interviews, staff recommends entering into agreements with SAPA! and Petshotz, Inc. for the management and operation of the new Paul Jolly Center for Pet Adoptions, Petco Pavilion, and Petco Spay and Neuter Clinic.

ISSUE

A) This agreement would authorize a contract between ACS and SAPA! for the management and operation of the adoption center and pavilion located at the City's Brackenridge animal care facility for a period of three years with the option to renew for up to 5 additional 2 year terms subject to approval by the director.

In accordance with Chapter 5 of the City's Ordinance, SAPA! will be permitted to select from ACS and house pets during their stray hold period at the Adoption Center with the expectation of providing humane housing and live release outcome for a minimum of 3,000 pets per year rescued solely from ACS. SAPA! will also be responsible for ensuring that these pets are spay/neutered prior to their final outcome. These 3,000 pets are in addition to existing contracts with the City such as the current HVPP initiative. Furthermore, SAPA! would be responsible for maintaining an event calendar for the use of the pavilion and would allow the structure to be used by themselves, the community, and the City.

While SAPA! will be obligated to cover day-to-day expenses including utilities, staffing, provide their own equipment, and general repairs; all revenue generated from the management of the adoption center and pavilion will be retained by SAPA!. However, their fee schedule, and any future changes, will require final approval from the Department.

In return, the City agrees to provide routine trade maintenance and grounds maintenance to include landscaping. In FY 2013, SAPA!'s Live Release rate for those animals rescued from

ACS has exceeded 93 percent. By providing this service, the City will be able to ensure that the facility and its equipment are maintained at an appropriate standard.

- B) This agreement would authorize a contract between ACS and Petshotz for the management and operation of the spay and neuter clinic located at the City's Brackenridge animal care facility for a period of three years with the option to renew for up to 5 additional 2 year terms subject to approval of the director.

Through the authorization of this contract, Petshotz will be required to provide a minimum of 18,000 free or low/cost sterilization surgeries to the public during its 3 year initial term (4,000 surgeries in the first year, 6,000 surgeries in the second year, and 8,000 surgeries in the third year). The gradual increase is given to allow Petshotz. the opportunity and time needed to build a client base within the community. Petshotz will then be required to provide at least 8,000 free or low-cost surgeries to the public every year afterwards. The gradual increase is given to allow Petshotz, Inc. the opportunity and time needed to build a client base within the community. In addition, Petshotz will provide free or low-cost veterinary services to include vaccination and wellness clinics to the community.

While Petshotz will be obligated to cover day-to-day expenses including utilities, staffing, provide their own equipment, and general repairs; all revenue generated from the management of the spay and neuter clinic will be retained by Petshotz. However, their fee schedule, and any future changes, will require final approval from the Department.

In return, the City agrees to provide routine trade maintenance and grounds maintenance to include landscaping. By providing this service, the City will be able to ensure that the facility and its equipment is maintained at an appropriate standard.

ALTERNATIVES

- A) Alternatives to this proposal would include ACS re-submitting an RFP and/or devise strategies to operate the adoption center and pavilion utilizing additional City resources. It is estimated that this will cost the department up to \$945 K per year to operate the adoption center and pavilion. In addition, there would be a delay in utilizing this facility from the estimated October 2013 completion date. Should additional resources not be allocated, the new facility could sit vacant preventing 3,000 pets a year from receiving a live release outcome while decreasing the departments kennel capacity.
- B) Alternatives to this proposal would include ACS re-submitting an RFP and/or devise strategies to operate the clinic utilizing additional City resources. It is estimated that this will cost the department up to \$1.03 Million per year to operate the clinic. In addition, there would be a delay in utilizing this facility from the estimated October 2013 completion date. Should additional resources not be allocated, the new facility could sit vacant, preventing 8,000 pets from being sterilized and thousands of pets in the community from receiving vaccinations and wellness care.

FISCAL IMPACT

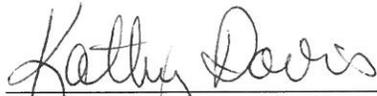
- A) Contingent with the contract, SAPA!'s annual rent will total \$1.00 for the term of the contract. In addition, a one-time payment to SAPA! in the amount of \$30,000 would be provided for capital outlay expenses such as computers, security cameras, etc. This expense is included in the facility's construction capital budget. Total anticipated trade and ground maintenance expenditures associated with the Paul Jolly Center for Pet Adoptions building

and the Petco Pavilion is estimated at a cost to the City of no more than \$47,450 annually and will be contingent upon the approval of future appropriations.

- B) Contingent with the contract, Petshotz's annual rent will total \$1.00 for the term of the contract. In addition, a one-time payment to Petshotz in the amount of \$20,000 would be provided for capital outlay expenses such as computers, security cameras, etc. This expense is included in the facility's construction capital budget. Total anticipated trade and ground maintenance expenditures associated with the Petco Spay and Neuter Clinic is estimated at a cost to the City of no more than \$14,950 annually and will be contingent upon the approval of future appropriations

RECOMMENDATION

Staff recommends that the ACS Advisory Board concur that these items to go before the full City Council for approval.



Kathy Davis
Director of Animal Care Services

**CITY OF SAN ANTONIO
ANIMAL CARE SERVICES
INTERDEPARTMENTAL CORRESPONDENCE**

TO: ACS Advisory Board

FROM: Kathy Davis, Director, Animal Care Services

SUBJECT: Briefing and Possible Action Regarding use of Bond Project Funding for Stray Animal Kennels

DATE: May 15, 2013

SUMMARY

Staff will provide a briefing regarding the negotiation and execution of a funding agreement in an amount not-to-exceed \$2,200,000.00 with Animal Defense League of Texas (ADL), for the design, construction and operation of a kennel facility for Stray Animal Kennels project, a 2012 – 2017 General Obligation Bond funded project.

BACKGROUND

In September of 2011, the Animal Care Services Department (ACS) updated the Strategic Plan by focusing on three key departmental strategies: (1) Enhanced Enforcement of existing laws and codes; (2) controlling the stray pet population; and (3) increasing the City's Live Release rate. As a result, the Department was able to increase its Live Release rate from 31% in FY 2011, to a record high 61% in FY 2012. ACS did this while at the same time increasing its capacity by over 20%. Since January 2013, ACS's Live Release rate as averaged 81% (78% since October 2012). ACS continues to be committed to its strategic priorities by looking for innovative partnerships, programs and projects that enhance the department's strategic goals and the department's stray pet capacity. While revising the department's Strategic Plan, ideas were generated during community hearings detailing the need to increase community partnerships in order to solve the City's stray pet problem. In particular, the idea was proposed to leverage anticipated bond funding with community resources in a way that would increase capacity as well as the live outcome of pets brought in.

On May 12, 2012, San Antonio voters approved the 2012 – 2017 Bond Program, consisting of five propositions totaling \$596 Million. The Bond Program funds will be used on various capital improvement projects to address community infrastructure needs and improve the overall quality of life in San Antonio. As part of that program, \$2,200,000.00 in General Obligation Bond funds was approved for the construction of kennels to increase the City of San Antonio's capacity to house stray pets. The bond program included the option to use the funds to build additional capacity at a location other than the City's shelter.

Procurement of Services

In February 2013, the City released a Request for Proposals (RFP) seeking proposals from interested parties for the design, construction, and operation of a kennel facility on Respondent owned/leased land. The purpose of this RFP was to enable ACS to increase the City's shelter capacity while also assuring the pet's live outcome. According to the RFP, the selected respondent would provide complete construction services and use funds for the building of an approved high volume rescue partner facility within San Antonio. In return, the selected

respondent would provide the daily operation of the facility for a minimum period of 25 years and ensure the rescue of additional pets from ACS. At the end of the 25 year term, the ownership of the buildings would then be transferred to the selected respondent.

The City held a pre-submittal conference at Animal Care Services on February 22, 2013 to answer questions of potential Respondents. Four (4) separate organizations were in attendance. The proposal was also advertised to the public in publications such as the San Antonio Hart Beat, the City's website, and the Texas Electronic State Business Daily. In addition, outreach notices were sent to existing animal care partners notifying them of the RFP and how to apply.

Responses were due on March 12, 2013 with one submission from Animal Defense League of Texas (ADL). This submission was initially reviewed by a selection committee consisting of a representative from Animal Care Services (ACS), the Animal Care Services Advisory Board, CIMS, Finance, and the City Manager's Office. Once the committee determined that the proposal met the RFP's minimum requirements, representatives from ADL were interviewed in-person to answer additional follow-up questions.

Animal Defense League of Texas is the oldest no-kill dog and cat shelter in San Antonio with 79 years of shelter management experience. They currently run and operate a 12.5 acre campus that contains an adoption center, hospital/clinic, isolation area, four (4) dog kennels, cattery, puppy room, thrift store, maintenance building, multiple enclosed outdoor areas, and a three (3) acre pet park for internal use only. ADL has over four (4) acres of open buildable land within their campus. If selected, ADL would build two (2) 24 kennel unit adult dog buildings and a new puppy room that could humanely house up to 88 puppies.

In return, ADL would ensure only pets rescued from ACS are housed in the new building, thus increasing the number of ACS pets they rescue annually by 3,184 pets. If selected, ADL will also ensure that they maintain the standard "No-Kill" Live Release rate of 90% or higher. In the past three years, ADL has found homes for 11,371 dogs and cats and have maintained a Live Release rate of 97%. In 2012, ADL saw a 25% increase in adoptions from the prior year and was able to find forever homes for nearly 4,000 pets. ADL is also an existing partner with ACS and in FY 2011 committed to rescue over 500 animals from ACS annually. In FY 2013 ADL increased its commitment to 715 rescues

F.A. Nunnelly was selected by ADL to manage the design and construction of the facility. F.A. Nunnelly is a full service construction firm that partnered with ADL to design, plan, and construct of these three (3) new buildings. During their 90 years in business, F.A. Nunnelly has completed hundreds of projects and have worked with multiple organizations such as Pearl Brewery, Frost National Bank, HEB, and the Baptist Hospital System. They have also completed many projects with the City of San Antonio to include the Animal Care Facility off of Highway 151, the Main Library weatherization project, the SAPD Property/Evidence facility, and Fire Station 19.

This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts be reviewed by a Goal Setting Committee to establish a requirement and/or incentive unique to the particular contract in an effort to maximize the amount of small, minority, and women-owned business participation on the contract. The Goal Setting Committee set a 30% Small Business Enterprise (SBE) subcontracting goal and a 21% Minority/Women Business Enterprise (M/WBE) subcontracting goal. Animal Defense League of Texas has committed to meeting the 30% SBE and 21% M/WBE subcontracting goals.

This contract was developed utilizing a formal request for proposal process; therefore, as required by the Ethics Ordinance, a Discretionary Contracts Disclosure Form has been included herein as an attachment.

Based on the joint proposal and corresponding interviews, staff recommends entering into a funding agreement, and lease agreements with ADL for the use of bond funding to design, construct, and operate a kennel facility at ADL's location.

ISSUE

This agreement would authorize the negotiation and execution of a funding agreement in an amount not-to-exceed \$2,200,000.00 with Animal Defense League of Texas (ADL), for the design, construction and operation of a kennel facility for Stray Animal Kennels project, a 2012 – 2017 General Obligation Bond funded project; and, as part of the funding agreement authorizing the negotiation and execution of a Ground Lease and Lease of property upon construction of kennel facility for a 25 year term.

This funding agreement will provide for the design, construction and operation of a kennel facility. ADL has identified F.A. Nunnelly as the design firm to design and construct the kennel facility; and, upon completion of construction, manage City-owned facility through a long-term lease agreement with City of San Antonio. ADL will pay all costs to insure, maintain and operate the kennel facility and retain all income generated as a result of the ADL's operation of the kennel facility. ADL will enter into a ground lease with City, giving City reasonable access to the facility and also will obtain a lease from City for the capital improvements. Approval of this ordinance will be a continuation of City Council policy to complete previously approved 2012 – 2017 General Obligation Bond funded projects.

FISCAL IMPACT

This is a one-time capital improvement expenditure in the amount not-to-exceed \$2,200,000.00, authorized payable to Animal Defense League of Texas. Funds are available and included in the FY 2013 - 2018 Capital Improvement Program Budget.

ALTERNATIVES

Alternatives to this proposal would include staff re-advertising the project for the design and construction to be built at the ACS Highway 151 location. This option would adversely affect the timely completion of the project, result in increased operational expenses and would not ensure an increase in live outcomes for the pets taken in. It is estimated that the total cost to operate an additional kennel at ACS could be up to \$550 K annually.

RECOMMENDATION

Staff recommends that the Advisory Board concur that this item to go before the full City Council for approval.



Kathy Davis
Director of Animal Care Services