



CITY OF ATASCADERO

CITY COUNCIL STAFF REPORT

Item D6

Department: Police
Department
Date: 02 /24/2026
Placement: Consent

TO: JAMES R. LEWIS, CITY MANAGER
FROM: DAN SUTTLES, POLICE CHIEF
PREPARED BY: DAN SUTTLES, POLICE CHIEF

SUBJECT: Fiscal Years 2026-30 Animal Control Services Agreement

RECOMMENDATION:

Authorize the City Manager to execute a five-year agreement with the County of San Luis Obispo for the continued provision of Animal Care and Control Services for the period of July 1, 2025, to June 30, 2030, in the amount of \$396,974 for the first year, with annual adjustments thereafter.

DISCUSSION:

The City contracts with the County of San Luis Obispo for the provision of Animal Care and Control Services for the following:

1. Shelter Services, including:
 - a. Maintaining an animal shelter where stray, owner-surrendered, confiscated, quarantined or impounded pets are received and provided with appropriate care.
 - b. Providing services to allow sheltered animals to be returned, adopted or humanely euthanized.
2. Field Services, including:
 - a. Receiving and responding to public calls for service related to animal management.
 - b. Providing necessary medical treatment and emergency care of domestic animals when necessary.
 - c. Investigating animal bite reports.
3. Provide reporting to the City on a bi-annual basis
4. Participate collaboratively with the City regarding matters impacting the provision of animal care and control services.

The Police Department administers the contract on behalf of the City. Although the current contract expired on June 30, 2025, the County agreed to continue providing services to each City while further development and adoption of the new contract continued. Department staff received the County's final draft of the contract on June 16th, 2025. Additionally, the County initiated a change to the term of the contract from three years to five years. The main reason for this change was to reduce staff time related to contract renewals that contain consistent scope and terms.

HOW COSTS ARE DETERMINED

The County uses a service-based methodology to determine contract costs for all cities. This methodology is based on Field Service and Licensing. In general, contract costs are calculated by determining the average percentage of service allocated to each city over the preceding three years for each facet of operations and multiplying this percentage against the Animal Services operational budgeted expenses. The average annual revenue generated from licensing fees or fines by each city over the preceding three years is applied against a city's total service cost. Based on this methodology, costs may increase or decrease depending on the calculation. cost.

Each city (with the exception of Atascadero) experienced an increase in cost for FY 2025-26. Per the County, in addition to using service-based methodology, the following factors also contributed to the increases:

1. Overall inflationary pressures associated with County expenses, including:
 - a. Significant increases in liability insurance costs
 - b. Increased overhead expense assessments
 - c. Moderate cost increases for fleet services (vehicle maintenance and repair, fuel, etc.)
 - d. Increased costs for animal feed and veterinary services. This derives in part from significant increases in the actual cost of veterinary services generally coupled with higher levels of animal intake and shelter populations which results in increased need for those services.
2. New landscaping contract for grounds services at the animal shelter, this labor having previously been performed by County Parks employees.
3. Hiring additional shelter personnel to perform duties previously performed by County Jail inmates. As a result of some program changes at the jail, inmates were no longer able to work in the shelter, which resulted in the need to hire personnel.

SCOPE OF SERVICES

The proposed contract provides for the delivery of Animal Care and Control services to the City of Atascadero for five years, through June 30, 2030. Services include (as outlined in Exhibit A of Attachment 1), but are not limited to:

1. Sheltering Services - Provide shelter services in accordance with state regulations, local ordinances, and policies governing the humane treatment of animals.
2. Field Services - Receive and respond to public calls for service related to alleged violations of local or state codes pertaining to the care, keeping, treatment, and management of animals.
3. Reporting - Provide to the City bi-annual service activity and financial reports reflecting field services, licensing and shelter operations.
4. Collaboration – Participate collaboratively with the City regarding matters impacting the provision of animal care and control services.

The County will also develop performance benchmarks and communicate those quarterly on topics including cost of services per city, number of full-time equivalent positions within Animal Services over time, GIS heat maps with calls for service over a period of time, average response times, percentage of animals licensed per city, and other data points.

ALTERNATIVES TO STAFF RECOMMENDATION:

The Council could choose not to approve this new contract with County Animal Services. This would restrict the City’s ability to provide these types of services to the community, many of which are required by law and would likely necessitate the City creating and funding its own animal control program.


FISCAL IMPACT:

The annual cost of the Agreement will start at \$396,974 in fiscal year 2025-26, with annual adjustments to this amount each subsequent year. Fiscal years 2025-26 and 2026-27 include budgeted General Funds for this Agreement.

REVIEWED BY OTHERS:

This item has been reviewed by the City Attorney and the Director of Administrative Services.

REVIEWED AND APPROVED FOR COUNCIL AGENDA



James R. Lewis, City Manager

ATTACHMENT:

1. Fiscal Years 2026-30 Agreement with County of San Luis Obispo for Animal Care and Control Services