



AGENDA ITEM REPORT

A Resolution of the City Council of Homer, Alaska Approving a Contract Amendment with Homer Animal Services, LLC which allows for the Retention of Fees for Services Provided by Homer Animal Services, LLC Staff and Authorizes the City Manager to Negotiate and Execute the Appropriate Documents. City Manager.

Item Type: Resolution
Prepared For: Mayor and Council
Meeting Date: 09 Jan 2023
Staff Contact: Rob Dumouchel, City Manager
Department: Administration
Attachments: [Resolution 23-004](#)

Summary Statement:

The City of Homer's Animal Shelter is operated under a contract held by Homer Animal Services, LLC (formerly known as Alaska Mindful Paws). They also provide animal control services in partnership with the Homer Police Department. The services received by the City and the community at large are high quality and of a high quantity considering the size of the organization. In 2022, January through November, the shelter fielded 269 complaints, took in 124 strays, had 67 animals surrendered to the shelter, reunited 77 animals with their owners, and facilitated 127 adoptions. It is very important that the relationship between the City and the animal shelter be equitable and sustainable to ensure that this service can be offered well into the future.

In 2021, Council approved Resolution 21-088 which provided a contract adjustment that included a 5% increase for Calendar year 2022 and a 3% increase for calendar year 2023 to help account for impacts related to inflation. Even with the increases, the Animal Shelter struggles to afford the labor and services required to maintain the very high standards they've exhibited since taking on the animal services contract with the City. While a larger conversation about animal shelter funding is necessary as we move into the FY24/25 budget cycle, I've identified an area in which we can increase revenue to the Animal Shelter without increasing the City's direct investment in fees for service.

At this time, the Animal Shelter's staff is required by contract to collect fees on behalf of the City for services they provide to include licensing, adoptions, impound fees, etc. (Appendix A, Section IX). All of that money is then forwarded to the City's General Fund. This creates a unique disincentive for the Animal Shelter to encourage the use of certain services. For instance, an increase in licensing results in more work for the shelter, but no additional income because it is all directed to the City instead.

I propose that the City continue to set fees via the fee schedule for Animal Control, however, those fees should be kept by the Animal Shelter to support the services they provide to the City. While this will be a small reduction in revenues to the City (~\$14,000-17,000), it could give the Animal Shelter some fiscal relief without drawing from existing General Fund Fund Balance.

Staff Recommendation:

Adopt Resolution 23-004

Attachments:

[Resolution 23-004](#)

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 23-004

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA APPROVING A CONTRACT AMENDMENT WITH HOMER ANIMAL SERVICES, LLC WHICH ALLOWS FOR THE RETENTION OF FEES FOR SERVICES PROVIDED BY HOMER ANIMAL SERVICES, LLC STAFF AND AUTHORIZES THE CITY MANAGER TO NEGOTIATE AND EXECUTE THE APPROPRIATE DOCUMENTS

WHEREAS, A contract for operation and management was awarded to Alaska Mindful Paws via Resolution 16-104; and

WHEREAS, A five year contract renewal and amendment was approved by Council via Resolution 18-0872; and

WHEREAS, Alaska Mindful Paws became Homer Animal Services, LLC in 2020; and

WHEREAS, A contract amendment increasing the contract amount for animal shelter operations was approved via Resolution 21-088; and

WHEREAS, Homer Animal Services, LLC is seeking additional financial assistance to continue to provide high quality animal control services to the public; and

WHEREAS, the retention of service fees by Homer Animal Services, LLC is a way for the City to increase revenues to the animal shelter that is driven by how active their team is in providing services to the public.

NOW, THEREFORE BE IT RESOLVED that the City Council of Homer, Alaska approves a contract amendment with Homer Animal Services, LLC which allows the animal shelter operator to retain fees for service beginning January 1, 2023, and authorizes the City Manager to negotiate and execute the appropriate documents.

PASSED AND ADOPTED by the City Council of Homer, Alaska this 9th day of January 2023.

CITY OF HOMER

KEN CASTNER, MAYOR

43 ATTEST:

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46 MELISSA JACOBSEN, MMC, CITY CLERK

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48 Fiscal Note: Animal Shelter Fees