



# Options for Management Structure and Operations for Monterey County and City of Salinas Animal Services


Monterey County Health Department

5-16-2017




## Background

- On 4-25-17 Department of Health staff provided the Board of Supervisors with a report on stakeholder meetings and cost saving strategies being explored, in connection with possible combination of County and City of Salinas animal services programs
- The Board directed staff to develop and present to it options, including the possible formation of a Joint Powers Authority with the City of Salinas



## Options for Structure of Combined Animal Services Programs

- Joint Powers Agreement
- Joint Powers Authority
- Limited Liability Company
- Operating Agreement



## Joint Powers Agreement (agreement for the exercise of joint powers)

- An agreement to jointly administer County and City animal services programs, with one of the parties—either the County or the City---being the lead agency
- The lead agency makes administrative decisions for both parties
- The lead agency provides a general manager over all animal services programs
- No separate legal entity is created
- Debts and liabilities for animal services programs remain with the County and the City, in the manner they agree to. (One example: proportionate to each party's fiscal contribution)
- A Joint Powers Agreement would address which party would provide which staff for animal services, each party's financial contributions, facilities, and other issues



## Joint Powers Authority

- Creates a separate and distinct legal entity, with its own separate governing board of directors, for the purpose of administering combined County and City animal services programs
- The membership of the board of the Authority would be determined as agreed to by the parties (For example, the number of Board members representing each party could be proportional to each party's financial contribution)
- The Authority is funded from each party's financial contributions, or could seek to levy an assessment or some form of tax
- The Authority incurs its own debts and liabilities
- The Authority hires a manager to administer combined County and City animal services programs
- The Authority employs its own employees to provide animal services. (Transition of County or city employees to employment with the Authority as agreed to)
- The Authority is responsible for Authority employees' salary and benefits



## Limited Liability Company (LLC)

- A separate legal entity is created, with the purpose of administering combined County and City animal services programs
- Similar to a Joint Powers Authority, an animal services LLC would have its own distinct governance, funding, debts and obligations, and employees
- Forming an LLC, as opposed to a Joint Powers Authority, opens the possibility of non-profits becoming members of the LLC, as well as the County and the City of Salinas. For example, the SPCA of Monterey County could be a member of an animal services LLC
- LLC is subject to Brown Act and conflict of interest laws



## Operating Agreement

- No new legal entity formed, no separate funding, no separate debts and liabilities; animal services employees remain employed by the County or the City
- The County and City agree on joint animal services administration, a manager, and operations, and their respective financial contributions
- Similar to the Memorandum of Understanding presented to the Board in January 2017.
- One party—the County or the City—hires the other party—the County or the City--to administer its animal services program for it.



## Possible cost savings in combining County and City animal services programs

1. Sharing one shelter facility
2. Sharing Clinic Operations
3. Shared field services and animal care in shelter
4. Streamlining fees and ordinances
5. Ability to contract with Monterey County cities for services (animal control and animal care), as space in animal shelter facilities permits





## Staff Seeks Direction from Board

In order of preference?

- Joint Powers Agreement
- Joint Powers Authority
- Limited Liability Company
- Operating Agreement



**Questions?**