



**CITY OF KIRKLAND**  
City Manager's Office  
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## MEMORANDUM

**To:** Marilynne Beard, Interim City Manager  
**From:** Erin Leonhart, Intergovernmental Relations Manager  
**Date:** April 9, 2010  
**Subject:** ANIMAL SERVICES OPTIONS

### RECOMMENDATION

It is recommended that the City Council receive a report of animal services options, provide direction as to the preferred program below and authorize the City Manager to sign a letter of intent to King County. The options for animal services provision are:

- Option A – Regional model/new contract with King County;
- Option B – Sub-regional consortium of cities starting on January 1, 2011 (new contract with King County July 1-December 31, 2010); or
- Option C – Sub-regional consortium of cities starting on July 1, 2010.

Contingent upon approval from the City of Bellevue City Council and City of Redmond City Council, staff recommends pursuing option C. In the absence of approval from these two partners, the sub-regional option does not exist so Option A would be the alternate recommendation. Staff will request a recommendation from the Council Public Safety Committee on April 15<sup>th</sup>.

### BACKGROUND

As described in a March reading file memo to Council (Attachment A), King County Animal Care and Control (KCACC) has provided animal care and control services since King County was approached by leadership of the Suburban Cities Association in the mid 1980s. At that time, King County agreed to provide animal control, sheltering and licensing functions on behalf of cities on a regional basis, in exchange for keeping all pet licensing revenue.

Thirty-five cities have an animal services contract with the County (Seattle, Renton, Skykomish and Milton do not have contracts). Most cities contract for all three service components: control, shelter and licensing. Five cities, including Kirkland, currently purchase a higher level of animal control services. Kirkland's interlocal is for off-leash dog patrol in City parks. The current service arrangement has not been revisited since its inception and, over time, the gap between system revenue and system cost has grown to a level that is not sustainable for the

County. In recent years, the County has contributed in excess of \$2 million annually from the County general fund to support the services.

In September 2009, the King County Executive expressed his intent to discontinue animal care and control services as a County function and removed funding for this function from the budget starting in July 2010. In November, the King County Council passed a motion to discontinue shelter services by February 2010 and establish new full-cost recovery contracts for King County-provided animal control services before July 2010. In January 2010, the County Council extended the sheltering deadline to June 30<sup>th</sup> and committed to working with a joint Cities-County work group to develop a new regional model for animal services.

Based upon the direction from the County Council and consistent with the interlocal agreement, the County recently issued termination letters to cities for the existing animal services contracts, effective July 1, 2010 (Attachment B).

### **Regional Model/New Contract with King County**

In anticipation of the termination of contracts, a small work group consisting of staff from King County and representatives from cities in sub-regions of the county was formed and began meeting in January (see Attachment A for details about the work group). This group developed a proposed Agreement in Principle ("AIP") for a new regional model for animal services under which King County would continue to provide animal control, licensing and sheltering services, if it is adopted by a sufficient number of cities. This AIP was distributed to cities on April 7<sup>th</sup>.

As the work group reviewed data about the present system, it became clear that cities face very different circumstances with respect to animal services: some are very heavy users of the shelter and control operations; others use it much less. The reasons could relate to demographics, behavior, the geographic proximity of the County shelter or nonprofit shelters, or some combination of factors. The licensing revenue generated by the system also varies dramatically among jurisdictions on a per capita basis, in part based on where the County has in the past focused marketing efforts.

Economies of scale exist in providing animal services: the more cities that participate in a regional system, the lower the costs are for everyone. Conversely, if the geographic distribution of cities participating in the regional system starts to look like a patchwork, the service delivery becomes more challenging and inefficient; at some point, the County will not be willing or able to effectively provide service.

### **Summary of the Agreement in Principle**

The AIP (see Attachment C for a full outline and see Table 1 for services provided, cost allocation and revenue allocation) represents a departure from the existing King County Animal Care and Control Services arrangement. The primary difference is that animal control officers will be dedicated to each of four districts five days per week (currently officers work seven days per week), while allowing individual cities or a sub-regional group to contract for higher levels of service as Kirkland currently does. The Parks & Community Services Department has prepared an interlocal agreement to continue this supplemental service through 2010 for the Council's consideration at the April 20<sup>th</sup> meeting. In the event Kirkland proceeds with a sub-regional option before 2011, the 30-day cancellation clause could be exercised and alternative arrangements would be made.

Operations at the King County Kent shelter will be augmented through closure of the Crossroads shelter and concentration of staff resources in Kent. Due to improvements at the Howard Hansen Dam, the flood threat in Kent has been significantly reduced. King County has a contingency plan in the event of a flood (including temporary facilities at another King County site, agreements with regional partners and a continued lease for the Crossroads shelter facility).

**TABLE 1**  
**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES**  
 OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE (ABBREVIATED)

	<b>CONTROL</b>	<b>SHELTER</b>	<b>LICENSING</b>
<b>Services</b>	<p><b>4 districts, each staffed with 1 Animal Control Officer</b>, 5-day/week, 8-hour/day (TBD: M-F or T-S).</p> <p>Cities may coordinate sub-regionally to purchase higher level of service (specific service options TBD).</p> <p><b>Regionally shared resources:</b> 1 field sergeant; 1 animal cruelty sergeant; 3 FTE call center open 5-day/8-hour, after hours dispatch through Sheriff's Office.</p>	<ul style="list-style-type: none"> <li>▪ Humane standards of care</li> <li>▪ Kent Shelter remains open</li> <li>▪ Crossroads Shelter closes</li> <li>▪ PAWS serves Northern Cities under separate contract</li> <li>▪ Seek future partnerships for adoption, technical assistance with other nonprofit animal welfare organizations</li> </ul>	<p>Administration of licensing system; marketing, education and outreach to maintain and increase licensing sales.</p> <p>County will absorb costs of using mainframe IT system.</p>
<b>Cost Allocation</b>	<p>Allocate one quarter of total costs to each district.</p> <p>Within each district, allocate costs to jurisdictions by combination of usage (calls for service) and population (50% usage/ 50% population).</p>	<p>Allocate costs by combination of usage (shelter intake) and population (50% usage/50% population).</p> <p>Northern Cities pay half of the population-based factor for regional system benefits associated with shelter.</p>	<p>Allocate by usage and population (50% usage/50% population).</p>
<b>Revenue Allocation</b>	<p>Control revenues (e.g., fines for control violations) netted from total control costs before allocating costs.</p>	<p>Shelter revenues (e.g., adoption fees, microchip fees, impound fees) netted from total shelter costs before allocating costs.</p>	<p>Licensing penalty revenue netted from total licensing costs before allocating costs. Regular licensing fees allocated to jurisdiction of resident buying license.</p>

The proposed system costs to be allocated are \$5.6 million (annualized for 2010). The AIP seeks to balance the different situations of cities by proposing a cost allocation methodology based on both population and usage factors (a 50-50 split), which results in a subsidy from jurisdictions with higher licensing revenue and/or lower usage to jurisdictions with lower

licensing revenue and/or higher usage. Licensing revenues (\$3.2 million) are credited to jurisdictions based on the residence of the person buying a pet license. The cost allocation formula is intended to:

- (a) Provide incentives to minimize use of the system and decrease the homeless pet population (use component); and
- (b) Recognize that the system benefits everyone and that animals don't respect jurisdictional boundaries (population component).

Additionally, the cost allocation was designed to balance burdens across jurisdictions in hopes of maximizing participation and preserving a regional system.

The City will be responsible for animal services in the Annexation Area beginning in June 2011 so projected annualized regional program (King County) costs for both the existing city and the Annexation Area are included in Table 2 to demonstrate a projected annual cost for the larger city. Cost allocations for all cities and the unincorporated area allocation are attached to this report (Attachment D).

The AIP proposes a 2.5 year agreement, during which time the parties, through a Joint Cities-County Committee, will focus on increasing system revenue and reducing system costs. Parties would be allowed to terminate for convenience upon six months' notice to effectively contract with King County through 2010 only. The City must state its intention to take advantage of the six month contract extension no later than April 30, 2010. The projected cost for six months of service is also included in Table 2.

**TABLE 2**  
**CITY OF KIRKLAND AND ANNEXATION AREA**  
 ESTIMATED ANNUALIZED REGIONAL PROGRAM COST ALLOCATION

AREA	ESTIMATED COST ALLOCATIONS				2009 LICENSING REVENUE	EST NET COST ALLOCATION
	ANIMAL CONTROL	SHELTER	LICENSING	TOTAL		
Kirkland	\$50,147	\$97,540	\$38,979	\$186,666	\$159,211	(\$27,455)
<i>Annexation Area**</i>	<i>\$34,400</i>	<i>\$68,200</i>	<i>\$27,300</i>	<i>\$129,900</i>	<i>\$111,100</i>	<i>(\$18,800)</i>
Kirkland & AA	\$84,547	\$165,740	\$66,279	\$316,566	\$270,311	(\$46,255)
Kirkland -6 Months	\$25,074	\$48,770	\$19,490	\$93,334	\$79,606	(\$13,728)

\*\*The Annexation Area allocation amounts are rough estimates based on Kirkland and the nearby city use values. These are 2010 annualized values so the cost allocations may be higher in future years.

Under the proposed regional system, Kirkland's licensing revenue would not cover expenses requiring a payment to King County of the difference ("Estimated Net Cost Allocation"). Previous studies indicate that Kirkland's license revenue is sufficient to cover costs based on actual use. However, the 50/50 cost distribution model allocates more costs to Kirkland to "balance" the regional system.

**Sub-Regional Consortium of Cities**

Staff from Kirkland, Bellevue and Redmond began discussing options for animal services in 2009 when the King County Executive announced his intent to discontinue King County Animal Care and Control. A sub-regional model for animal services is being developed where the City of Bellevue Police Department would conduct the field services portion (the City of Bellevue's Police Chief is developing an option for sub-regional service delivery consisting of two officers providing coverage up to seven days per week). The initial estimated one-time and ongoing costs associated with this aspect are included as Attachment E. These estimates are likely to be on the low end as there are costs that have not been captured.

A request for proposals for licensing services garnered one proposal from a professional licensing company that would charge a nominal set-up charge plus a per-license fee to provide a full range of services. Finally, conversations with Seattle Humane Society have resulted in a proposed flat fee for any stray animal brought to the shelter by the City/animal control officer or by a Good Samaritan. These unit costs were analyzed using historical data to derive Kirkland's estimated costs of a sub-regional program in Table 3. Although the projected cost for the last six months of 2010 is higher than that projected for the regional option, it is projected that those costs would be recovered during the first full year of the program. The full year projections use 2011 rates although the City of Kirkland will not be responsible for animal services in the Annexation Area until June 1, 2011.

**TABLE 3  
 CITY OF KIRKLAND AND ANNEXATION AREA  
 ESTIMATED ANNUAL SUB-REGIONAL PROGRAM COSTS**

AREA	ESTIMATED COST ALLOCATIONS				2009 LICENSING REVENUE	EST NET (COST)/REVENUE
	ANIMAL CONTROL	SHELTER	LICENSING	TOTAL		
<b><i>2010 ONE-TIME PLUS 6 MONTHS (JULY-DECEMBER) *</i></b>						
Kirkland	\$52,441	\$14,738	\$11,580	\$78,758	\$63,684	(\$15,074)
<b><i>PROJECTED FULL YEAR KIRKLAND AND ANNEXATION AREA</i></b>						
Kirkland	\$55,463	\$29,475	\$21,160	\$106,098	\$159,211	\$53,113
Annexation Area**	\$36,720	\$21,375	\$13,825	\$71,920	\$111,100	\$39,180
Kirkland & AA	\$92,183	\$50,850	\$34,985	\$178,018	\$270,311	\$92,293

\*Includes one-time costs of \$27,214 for field services (vehicle, equipment, etc.) and \$1000 for licensing set-up.

\*\*The Annexation Area allocation amounts are rough estimates based on Kirkland and the nearby city use values.

If a city chooses to separate from the regional system, King County has stated there will be no transfer of revenues for pet licenses sold before the end of a city's contract. As a result, the sub-regional group and, therefore, Kirkland would incur costs before revenues from new license sales would be received.

It should be noted that these costs and revenues are estimates. The cities would be entering a new line of business and there are likely to be unexpected costs to deliver this service. In

addition, it would take time to ramp-up staff and equipment for animal control services and transfer licensing. This additional time may result in a delay of services so staff would create a contingency plan for the transfer period. One option during the ramp-up period would be to sign a regional contract with King County through December 2010. Another option would be to address only high-priority field calls during this period (in 2008, 25% of Kirkland's field calls for service were considered high-priority).

**NEXT STEPS**

Due to the July 1<sup>st</sup> termination of existing King County services, there is a very strict timeline for this decision. The full proposed timeline for the Regional Animal Services process is shown in Table 4. The proposed services and related costs are contingent upon participation from all 30 jurisdictions included in the AIP. As a result, there are two check-in points to determine costs and interest. The key decision dates are highlighted.

**TABLE 4 – REGIONAL ANIMAL SERVICES**  
 Proposed Timeline for Confirming and Adopting New Interlocal Agreements

<i>Date</i>	<i>Item</i>
April 7	Distribute Agreement in Principle to cities
April 30	<b>Initial statements of interest</b> in contracting from cities due to King County (including statement of whether city wishes to contract only for the first 6 months).
May 3	<b>Adjusted costs circulated to all parties based on April 30 indications of interest.</b> If parties declining to participate result in an estimated 10% or greater increase in total costs to be allocated as compared to the April 7 estimated cost allocation, request <b>second statement of statement of intent from cities and County.</b>
May 19	<b>Second statement of intent</b> due to King County, with any applicable upward limits each party agrees to bear.
May 21	Results of 2 <sup>nd</sup> statement of intent circulated to all parties
May 24-27	Interested parties confer and determine whether/how to proceed
June 3	Final form of contract circulated for action
Mid-late June	<b>All participating jurisdictions act</b> by approximately mid-June in order for agreement to become effective July 1.

In addition to the Regional Animal Services timeline, the sub-regional option for services is contingent upon decisions to be made by the City of Bellevue and City of Redmond City Councils. The schedules for Council action in those two cities are:

- City of Bellevue City Council – Scheduled to consider on April 19<sup>th</sup> but has another meeting on April 26<sup>th</sup> when final action may be taken; and
- City of Redmond City Council – Scheduled to consider on April 27<sup>th</sup>.

Staff must submit a Statement of Interest to King County by April 30<sup>th</sup> expressing one of the following three interests:

- Regional model/new contract with King County – 2.5 year contract;
- Sub-regional consortium of cities starting on January 1, 2011 (new contract with King County July 1-December 31, 2010); or

- Sub-regional consortium of cities starting on July 1, 2010 (no new contract with King County).

If the Council wishes to participate in the King County regional system indefinitely or for six months, staff will return to Council with a revised cost estimate at the May 18<sup>th</sup> Council meeting.

**CITY OF KIRKLAND**

City Manager's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3001

[www.ci.kirkland.wa.us](http://www.ci.kirkland.wa.us)**MEMORANDUM**

**To:** David Ramsay, City Manager

**From:** Erin Leonhart, Intergovernmental Relations Manager

**Date:** March 8, 2010

**Subject:** ANIMAL SERVICES IN KIRKLAND

King County Animal Care and Control (KCACC) currently provides animal care and control services for Kirkland, most cities in King County and unincorporated areas in the County. Through Interlocal agreements and contracts, King County provides animal related field services to 32 cities (excluding Seattle, Renton, Medina, Milton, Skykomish, Des Moines and Normandy Park) and sheltering services to 34 cities (excluding Seattle, Renton, Medina, Milton and Skykomish). Cities provide no direct payment for basic field services or sheltering because King County collects and keeps 100% of the pet license fees. Revenue to support King County's services comes primarily from pet licensing fees from residents and the King County General Fund. A small percentage of expenditures is covered by user fees, including pet adoption fees and impound fees.

In 2009, the King County General Fund contributed \$1.5 million out of a total budget of approximately \$5.5 million. According to 2008 information provided by Animal Care and Control, the license fees collected in most of the north King County cities, including Kirkland, have historically paid for the expenditures in those areas so much of the shortfall occurs in south King County.

It is not statutorily mandated that King County provide animal care and control services on a regional basis. Although the City has the legal authority to establish an animal care and control program, there is no state mandate requiring the City to provide such services.

A fundamental purpose of an animal care and control program is to protect the health and safety of the public. A program can provide protection from dangerous animals as well as reduce animal nuisances, both in neighborhoods and in public parks. Another primary purpose of a program is the humane care and treatment of animals in the community. Shelter services help to reduce pet homelessness, overpopulation and diseases by providing spay and neutering; vaccinations and other medical services; and adoption and rescue services. Finally, pet owners receive additional specific benefits from a program by licensing their pets; in particular, licensing increases the likelihood that owners will be reunited with lost pets.

To address citizen concerns about off-leash dogs, the City of Kirkland has contracted for enhanced services from King County. This contract provides for a dedicated animal control officer who patrols Kirkland's parks during peak hours of the week (approximately 20 hours per

week). This officer ensures that dog owners keep their dogs leashed while in public parks and primarily conducts this duty on foot. The officer does not pick up stray animals or conduct any other activity that would require a specialized vehicle.

#### King County Actions Related to Animal Care and Control

In September 2009, King County Executive Kurt Triplett recommended that King County no longer provide animal care and control services and included only six months of funding in the proposed 2010 budget. Shortly after that announcement, King County staff convened an Animal Services Work Group consisting of representatives from a variety of cities to examine options for provision of these services after June 30, 2010. During the first meeting, the group agreed that the three services that need to be discussed are: pet licensing, animal control/field work and sheltering.

On November 9, 2009 the King County Council passed Motion 2009-0594 requesting that the King County Executive:

- End the provision of animal shelter services provided by King County for contract cities and unincorporated King County as soon as possible, but no later than January 31, 2010;
- Establish a goal of April 1, 2010, for all contract cities to enter into full cost-recovery contracts with King County for animal control services; and
- Establish a firm date of June 30, 2010 for all contract cities to enter into full cost-recovery contracts for animal control services. Cities that do not enter into full cost-recovery contracts by June 30, 2010, will need to find an alternate way to provide animal control services.

On January 11, 2010, the King County Council extended the deadline it set for closing the County's shelters until June 30, to allow for sufficient time for work with the cities. Following that announcement, staff from King County Executive Constantine's office solicited volunteers for a smaller work group to work through the details of a regional model for animal services using this process:

- Convene a small work group with 1-2 representatives from each sub-region (staff from Bellevue and Redmond are representing our sub-region) to work through both large and small details of a regional animal services model;
- King County staff will send regular updates to all cities via email;
- Small work group participants will meet/communicate with other cities in their sub-region as needed;
- Goal of concluding small group work by April 30;
- April 30 until June 30 – work with respective decision-making bodies (King County Council, City Councils, etc.); and
- June 30 – begin implementation of new regional model.

The 2010 King County/Cities Work Group for Regional Animal Services Purpose and Scope Statement (Attachment A) and the Regional Animal Services Model Interests (Attachment B) are included with this memo.

#### Options for Animal Care and Control for Kirkland

In addition to exploring options through the Animal Services Work Group convened by King County, staff is examining options for provision of these services after June 30, 2010. Staff has been meeting with Kirkland departments that have interests in the issue as well as with staff from Redmond and Bellevue. At this juncture, it appears the options would be:

1. Amended contract with King County (through the work group process);
2. Sub-regional consortium of cities (develop a program with adjacent NE King County cities);
3. City-provided service; or
4. Discontinue animal care and control services entirely.

As a result, staff members from Kirkland, Redmond and Bellevue have been meeting with the Seattle Humane Society (located in Bellevue) to discuss potential long-term contracts.

Cost and Revenue Projections

It has been challenging to acquire sufficient data from King County to determine services currently provided by the County and the costs of those services. King County has provided 2009 license revenue data for Kirkland, Redmond and Bellevue (Attachment C) indicating that Kirkland’s citizens paid nearly \$154,000 for pet licenses.

The Kirkland Police Department developed cost estimates for a one- or two-person animal control operation shown in table 1.

**TABLE 1 – PROJECTED COSTS OF CITY-PROVIDED CONTROL SERVICES**

<b>STAFFING OPTION</b>	<b>ONGOING COSTS</b>	<b>ONE-TIME COSTS</b>
1 Full Time Employee	\$126,158	\$84,775
2 Full Time Employees	\$252,316	\$169,550

This projection does not include the cost of administration, animal shelter or pet licensing. Several cities in northeast King County have released a request for proposals (RFP) for licensing services; proposals are due March 16. In early discussions with the Seattle Humane Society about contracting for sheltering services, their staff indicated a desired rate of \$400 per animal that was accepted by the shelter. In February, the Seattle Humane Society revised that projection to \$225 per animal. In 2008, the King County Animal Care and Control Shelter housed 150 animals from the City of Kirkland. At this rate, sheltering costs could be between \$34,000 and \$60,000 per year. Unless there was a significant increase in the number of pets licensed, the current revenues are not sufficient to sustain a one-officer program run by the City of Kirkland plus shelter charges.

There is a potential for increasing the number of licensed pets in the area. To date, King County has conducted very limited outreach to encourage people to license their pets. King County has hired seasonal canvassers to go door-to-door to encourage licensing, which is seen by many in the community as intrusive. Organizations outside the area have worked with veterinarians and pet-related retail establishments to promote licensing with increased success.

ANALYSIS OF ANIMAL CARE AND CONTROL OPTIONS

To provide a recommendation, the four options for animal care and control services in Kirkland were analyzed according to the following criteria:

1. **Ensure Community Safety**: While not state mandated, the provision of an animal care and control program is an important service for community safety, enjoyment of public open spaces and provides a benefit for pet owners. The program should provide proper care and control for animals entering the system.

2. **Self-Sustaining Program:** The animal care and control program should be structured to be financially self-sustaining, achieving full cost-recovery through license fees and any other program revenue.
3. **Cost-Effective:** The program should provide customers an acceptable level of benefits for their license fees.
4. **Governance:** A program should provide the ability for the City to determine desired service levels and control costs.
5. **Political Feasibility:** The program should be acceptable to the City Council and the community at large.
6. **Immediacy:** Program should be able to be implemented by July 1, 2010, consistent with the King County Council's deadline.

Table 2 ranks the four options according to the six criteria on a scale of "low" to "high" using information that is currently available.

**TABLE 2 – COMPARISON OF FOUR ANIMAL CONTROL SERVICE OPTIONS**

<b>CRITERIA</b>	<b>OPTION 1 – AMENDED KING CO CONTRACT</b>	<b>OPTION 2 – SUB-REGIONAL CONSORTIUM</b>	<b>OPTION 3 – CITY-PROVIDED SERVICE</b>	<b>OPTION 4 – NO ANIMAL CONTROL SERVICES</b>
Ensure Community Safety	Medium	Medium to high	Medium	Low
Self-Sustaining	Low to medium	Medium	Low	High
Cost-Effective	Low to medium	Medium to high	Low	Low
Governance	Low	Medium to high	High	High
Political Feasibility	Medium	High	Low	Low
Immediacy	High	Low	Low	High

Explanation of Matrix

The comparison using currently available information does not provide a definite answer as to the best direction; however, combined with cost and revenue projections, it does suggest a path for additional analysis.

Option 1 – Amended King County Contract

There are economies of scale related to options 1 & 2 making them the more cost-effective options. Option 1, in particular, would have lower start-up costs since King County is currently providing the service. There has been some question of King County's ability to ensure community safety across such a large service area, particularly in the last year. Early conversations indicate that discontinuing the County animal shelter will improve field services by redirecting resources to the field.

The King County Council's Motion requires that any new contracts for service be full cost-recovery contracts, ensuring that they will be self-sustaining; however, that direction is from the King County perspective and could mean additional costs to contract cities. Particularly in recent years, the public has expressed concerns about the King County program's cost-effectiveness, with complaints about lack of response for calls for service but cities could attempt to remedy that in a new contract. Cities could also attempt to improve the governance structure in a new contract with King County; however, previous negotiations suggest that the contract cities would not have much influence in a new contract. In addition, some cities have already indicated they will be discontinuing their animal services contracts with King County, leaving fixed costs to be distributed across a smaller number of organizations.

The issues related to governance, cost-effectiveness and community safety result in a medium ranking in political feasibility. Although the City of Kirkland does not likely want to start a new line of business at this time, the reputation of the King County operation is problematic as are concerns about having limited control over a future operation and related costs. A well-negotiated contract could address these issues; however, the short time frame and the large number of organizations involved would make this difficult.

#### Option 2 – Sub-Regional Consortium

Cities in northeast King County have a history of working together to address regional and sub-regional challenges. The most recent success is the NORCOM police and fire dispatch center that starting handling 911 calls on July 1, 2009. This partnership would be instrumental if the cities chose to pursue animal control services sub-regionally. Even with these relationships in place, starting this new operation would be difficult and would require time that may not meet the immediacy needs.

The communities in this area of King County are similar in many ways. Estimated licensing rates for Kirkland, Redmond and Bellevue, for example, are just over 20% for dogs and in the teens for cats. According to King County's estimates, the licensing revenue generated in these communities has supported their usage of the King County Animal Care and Control operation. This would indicate that the potential for cost-effectiveness in the long term would be medium to high and that there is potential for this arrangement to be self-sustaining.

The similarities between the communities and existing relationships support high marks in political feasibility and governance. Our governments are accustomed to working together and would likely see a sub-regional option as an efficient way to provide service. Public safety would also potentially be better served by an operation within the sub-region than one based in south King County, the current and likely future location of King County Animal Control.

#### Option 3 – City of Kirkland Provides Service

Option 3 lags behind options 1 and 2, largely due to the projected cost of starting and sustaining the operation. Projected licensing revenues could not support any operation beyond one focused solely on public safety. The City of Kirkland has made significant operational reductions in the 2009-2010 general fund budget due to revenue shortfalls, including the failure of a utility tax ballot measure that was pursued to balance the 2010 budget. This new service would require support from a general fund that is already strained.

In this option, only governance ranks as "high" since it would be the responsibility of the City and, therefore, the City would have complete control over decision-making. This single high mark does not outweigh the significant challenges of this option.

#### Option 4 – No Animal Control Services

The "high" marks for option 4 are outweighed by the "low" marks in community safety and political feasibility. If the City were to pursue this option, the Police Department would respond to public safety issues related to animals (i.e., dangerous dogs, animal bites, etc.). These calls could impact other police work and response times could suffer. Since no animal care and control program would be provided and perceived cost-effectiveness would be low, it is unlikely the City would provide pet licensing. Previous community interest in increasing animal field service indicates that a complete elimination will not be acceptable to the public.

## RECOMMENDATION

It is recommended that staff continue examining options with a particular focus on the options of a new sub-regional arrangement or a new contract with King County. Important criteria for any program will be cost-effectiveness and its ability to be self-sustaining so either option will need to include a methodology for increasing revenues and controlling costs while providing an acceptable level of service to the community. In the interest of cost-control, staff will continue negotiating with the Seattle Humane Society to reduce sheltering costs. Staff intends to provide a report to Council in April with information from the King County Work Group as well as more specific information about the sub-regional option.

Following the April report, staff will also provide information related to necessary changes to the Kirkland Municipal Code that would be necessary to accommodate any recommended options. Current Washington State law requires that dangerous dogs be addressed but all other requirements are included in the Kirkland Municipal Code, which currently adopts the King County Code.

## Attachments

- A – King County/Cities Work Group for Regional Animal Services Purpose and Scope Statement
- B – Regional Animal Services Model Interests
- C – 2009 License Revenue Data for Kirkland, Redmond and Bellevue



**King County**

**Dow Constantine**  
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**RECEIVED**

**MAR 30 2009**

**CITY OF KIRKLAND  
CITY MANAGER'S OFFICE**

March 26, 2010

David Ramsay  
City of Kirkland  
123 Fifth Avenue  
Kirkland, WA 98033-6189

Re: TERMINATION OF ANIMAL CONTROL INTERLOCAL AGREEMENT

Dear David Ramsay:

In 1994 King County and City of Kirkland entered into an Animal Control Interlocal Agreement ("Agreement"). A copy can be provided upon request.

Paragraph 5 of the Agreement allows either party to terminate without cause upon 90 days written notice. Please consider this letter notice of the termination of the Animal Control Interlocal Agreement, effective June 30, 2010.

In the 2010 adopted budget, the King County Council directed the Executive to enter into new, full-cost recovery contracts for animal services by June 30, 2010. The reason for this transition is two-fold. First, the county can no longer afford to subsidize animal services, which are a local government responsibility, at a rate of over \$2 million per year. Second, we need to redesign the service model to ensure that the system is cost effective and incorporates appropriate incentives that support the public health, safety, and animal welfare outcomes that are important to our residents.

King County is actively working with city representatives via an Animal Services Work Group to develop a new model for the provision of animal services to cities.

We hope to have an agreement in principle by March 31, which would include services provided, service levels, cost and revenue allocation, and payment methods. This agreement in principle would form the basis of a new contract between the County and cities for adoption by each jurisdiction by June 30.

It is my belief that working together through a new regional model we can provide better and more cost-effective public health, safety, and animal welfare outcomes than jurisdictions can produce on their own. We will continue working with cities and other partners interested in participating in a regional model over the next two months. While the timeline is short, I am hopeful that, through a strong and shared commitment to the outcomes that are important to our residents, we will develop a workable, affordable, and long-term solution.

If your city should choose not to enter into a new service contract with King County by June 30<sup>th</sup>, please be advised that King County will no longer provide animal services to your residents and the current contract will be terminated as of that date. In that event, we will need to coordinate with your city on the transfer of service responsibility for animal sheltering, control, and licensing which would include issues such as notification to the public regarding the change in service and the procedure for dealing with animals coming into the Kent shelter from non-contracting city residents.

If you would like additional information, or if you have any questions, please contact Carrie S. Cihak, Director of Strategic Initiatives, at (206) 263-9634.

Sincerely,



Fred Jarrett  
Deputy County Executive

cc: Carrie S. Cihak, Director of Strategic Initiatives, KCEO  
Caroline Whalen, Director, Department of Executive Services (DES)  
Carolyn Ableman, Director, Records and Licensing Services (RALS)  
Bob Roegner, Special Projects, Department of Executive Services (DES)  
Ken Nakatsu, Manager, Animal Care and Control Program (RALS)  
Sung Yang, Director, Regional Relations, KCEO  
DeSean Quinn, City Relations, KCEO  
Joe Woods, Council Relations, KCEO

**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES  
OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE**

	<b>CONTROL</b>	<b>SHELTER</b>	<b>LICENSING</b>
<p><b>Parties</b></p> <p><i>Assumes the following cities do not participate: Federal Way, Seattle, Renton, Des Moines, Normandy Park, Medina, Newcastle, Skykomish, Milton</i></p>	<b>TBD</b>	<p><b>TBD</b></p> <p>Bothell, Woodinville, Lake Forest Park, Shoreline, Kenmore (“Northern Cities”) will contract for primary shelter services with PAWS (a nonprofit shelter located in Lynnwood). The County will also seek to contract with PAWS for sheltering of animals from part of the north County unincorporated area.</p>	<b>TBD</b>
<b>Services</b>	<p><b>4 districts, each staffed with 1 Animal Control Officer, 5-day/week, 8-hour/day (TBD: M-F or T-S). 6 total officers to cover sick leave, vacation leave, other. Cities may coordinate sub-regionally to purchase higher level of service (specific service options TBD).</b></p> <p><b>Regionally shared resources:</b> 1 field sergeant; 1 animal cruelty sergeant; 3 FTE call center open 5-day/8-hour, after hours dispatch through Sheriff’s Office.</p>	<ul style="list-style-type: none"> <li>▪ Humane standards of care</li> <li>▪ Kent Shelter remains open</li> <li>▪ Crossroads Shelter closes</li> <li>▪ PAWS serves Northern Cities under separate contract</li> <li>▪ Seek future partnerships for adoption, technical assistance with other nonprofit animal welfare organizations</li> </ul>	<p>Administration of licensing system; marketing, education and outreach to maintain and increase licensing sales.</p> <p>County will absorb costs of using mainframe IT system.</p>
<b>Cost Allocation</b>	<p>Allocate one quarter of total costs to each district.</p> <p>Within each district, allocate costs to jurisdictions by combination of usage (calls for service) and population (50% usage/ 50% population).</p>	<p>Allocate costs by combination of usage (shelter intake) and population (50% usage/50% population).</p> <p>Northern Cities pay half of the population-based factor for regional system benefits associated with shelter.</p>	<p>Allocate by usage and population (50% usage/50% population).</p>
<b>Revenue Allocation</b>	<p>Control revenues (e.g., fines for control violations) netted from total control costs before allocating costs.</p>	<p>Shelter revenues (e.g., adoption fees, microchip fees, impound fees) netted from total shelter costs before allocating costs.</p>	<p>Licensing penalty revenue netted from total licensing costs before allocating costs. Regular licensing fees allocated to jurisdiction of resident buying license.</p>

**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES  
OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE**

<b>Payment Method/ Timing</b>	<p>Payment for July-December 2010 services due January 2011. Estimated fees for July-December 2010 service based on 50% of estimated annualized 2010 regional program cost allocation.</p> <p>For services in 2011 and 2012, semi-annual payments due April 1 and October 1, estimated based on prior year usage and revenue, applied to current year budget.</p> <p>Reconciliation calculated each June based on prior year's actual usage, allocable actual costs and actual revenues. Reconciliation amounts will be applied as credit or charge to October payment. Reconciliation for 2010 fees (calculated in June 2011) based on half of estimated annualized 2010 regional program cost allocation, and actual July-December revenues and usage.</p>
<b>Cost Inflator Cap</b>	<p>The total cost for control, shelter and licensing collectively allocable to the cities (excluding any costs associated with purchases by cities of additional services) will not increase by more than 5.5% per year.</p>
<b>Contract term and termination provisions</b>	<p>Contract Term: 2½ years: July 1, 2010 through December 31, 2012</p> <ul style="list-style-type: none"> <li>▪ 6 month termination for convenience notice (can be used on day one or at back end of contract).</li> <li>▪ Transitional support provided by County for cities with highest cost or lowest revenue per capita; only available to cities contracting for full 2.5 year term.</li> <li>▪ County reserves right to terminate services for areas/services if too many cities withdraw making continuation of service delivery to remaining areas impracticable (e.g., lack of contiguous service area, impracticability in linkages between field and sheltering, records management challenges).</li> <li>▪ Option to extend service contract for 2 additional years upon mutual agreement.</li> </ul>
<b>Services Purchased</b>	<p>Cities must purchase all three services from the County under the contract. Limited exception will be made as follows:</p> <ul style="list-style-type: none"> <li>▪ Northern Cities contracting with PAWS will pay no shelter usage component charge but will pay a regional sheltering charge equal to one-half the population-based sheltering charge (incorporated into current cost estimates).</li> </ul>

**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES  
OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE**

<p><b>Ongoing Collaborative Initiatives</b></p>	<ul style="list-style-type: none"> <li>▪ Update of animal services codes as means to increase revenues and incentives for residents to license, retain, and care for pets.</li> <li>▪ Explore practicability of private for-profit licensing system.</li> <li>▪ Pursue linkages between County and private non-profit shelter and rescue operations to maximize opportunities for pet adoption, reduction in homeless pet population, and other efficiencies.</li> <li>▪ Promote licensing through joint marketing activities of cities and the county.</li> <li>▪ Explore options for increasing service delivery efficiencies across the board.</li> <li>▪ Study options for Kent Shelter repair/replacement.</li> <li>▪ Complete compensation and classification study for shelter staffing benchmarked with other publicly operated shelters.</li> </ul>
<p><b>Joint City-County Committee</b></p>	<p>A committee composed of 3 county representatives (appointed by County) and 6 city representatives (appointed by cities) shall meet not less than twice each year to review service issues and make recommendations regarding efficiencies and improvements to services. Members may not be elected officials. The committee shall review and make recommendations regarding the conduct and findings of the collaborative initiatives. Subcommittees to focus on individual initiatives may be formed, each of which shall include membership from both county and city members of the Joint City-County Committee. Recommendations of the Joint City-County Committee are non-binding.</p>

**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES  
OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE**

<b>County Transition Funding</b>	<p>The County shall establish an initial annualized level of transition funding for cities as follows:</p> <ul style="list-style-type: none"><li>▪ \$250,000 shall be allocated by population to those cities with estimated net per capita 2010 regional model costs above the median (net cost &gt; \$3 per capita).</li><li>▪ An additional \$400,000 shall be allocated by population to the five cities with the highest estimated net per capita 2010 regional model costs (net cost &gt; \$5.50 per capita).</li></ul> <p>Cities who contract for the full 2.5 year term and qualify for transition funding shall receive:</p> <ul style="list-style-type: none"><li>▪ One-half of the initial annualized level for the second half of 2010.</li><li>▪ The initial annualized level in 2011.</li><li>▪ 66% of the initial annualized level in 2012.</li><li>▪ 33% of the initial annualized level in 2013, if the city and County enter into a 2-year extension agreement.</li><li>▪ 0% in 2014.</li></ul> <p>In addition, the County shall provide in 2010 enhanced licensing marketing support to the five cities with the lowest 2009 licensing revenue per capita. For each unit of enhanced licensing marketing support, the County will provide \$20,000 in services estimated to generate 1,000 licenses or \$30,000 in licensing revenue.</p> <ul style="list-style-type: none"><li>▪ Two cities over 100,000 in population shall each receive 2 units of enhanced licensing marketing support (estimated \$60,000 in licensing revenue in each city).</li><li>▪ Three cities under 30,000 in population shall share one unit of enhanced licensing marketing support (estimated \$10,000 in licensing revenue in each city).</li></ul>
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**Joint Cities-County Work Group on Regional Animal Services**

**Estimated Annualized 2010 Regional Program Cost Allocation (1)**

with Transition Funding and Transitional Licensing Support

		Control	Sheltering	Licensing	Total Allocated Costs	2009 Licensing Revenue	Estimated Net Cost			
<b>Total Regional Program Costs To Be Allocated:</b>		<b>\$1,698,600</b>	<b>\$3,004,900</b>	<b>\$898,400</b>	<b>\$5,601,900</b>	<b>\$3,209,469</b>	<b>-\$2,392,431</b>			
Proposed Animal Control District Number	Jurisdiction	Estimated Animal Control Cost Allocation (2)	Estimated Sheltering Cost Allocation (Excludes Costs to North Side Cities for PAWS Sheltering) (3)	Estimated Pet Licensing Cost Allocation (4)	Estimated Total Cost Allocation	2009 Licensing Revenue	Estimated Net Cost Allocation	Transition Funding (5)	Estimated Revenue from Transitional Licensing Support	Estimated Net Final Cost
<b>200</b>	Bothell	\$34,336	\$22,973	\$30,095	\$87,404	\$102,067	\$14,663	\$0	\$0	\$14,663
	Carnation	\$2,563	\$8,091	\$1,564	\$12,218	\$5,723	-\$6,495	\$1,431	\$0	-\$5,065
	Duvall	\$6,615	\$12,571	\$5,385	\$24,571	\$22,113	-\$2,457	\$0	\$0	-\$2,457
	Unincorporated King County	\$116,932	(see total below)	(see total below)	\$116,932	(see total below)	(see total below)	NA	NA	(see total below)
	Kenmore	\$25,488	\$13,943	\$19,140	\$58,571	\$73,160	\$14,589	\$0	\$0	\$14,589
	Kirkland	\$50,147	\$97,540	\$38,979	\$186,666	\$159,211	-\$27,455	\$0	\$0	-\$27,455
	Lake Forest Park	\$13,759	\$8,741	\$12,726	\$35,226	\$71,987	\$36,761	\$0	\$0	\$36,761
	Redmond	\$50,336	\$97,197	\$41,042	\$188,575	\$134,311	-\$54,264	\$0	\$0	-\$54,264
	Sammamish	\$38,565	\$68,595	\$34,532	\$141,692	\$135,125	-\$6,567	\$0	\$0	-\$6,567
	Shoreline	\$71,289	\$37,036	\$46,034	\$154,359	\$189,347	\$34,987	\$0	\$0	\$34,987
Woodinville	\$14,619	\$7,275	\$9,462	\$31,357	\$37,918	\$6,562	\$0	\$0	\$6,562	
<b>SUBTOTAL FOR CITIES IN 200 (excludes unincorporated area)</b>		<b>\$307,718</b>	<b>\$373,961</b>	<b>\$238,959</b>	<b>\$920,638</b>	<b>\$930,963</b>	<b>\$10,325</b>	<b>\$1,431</b>	<b>\$0</b>	<b>\$11,755</b>
<b>220</b>	Beaux Arts	\$466	\$459	\$301	\$1,226	\$900	-\$326	\$0	\$0	-\$326
	Bellevue	\$151,300	\$233,274	\$90,629	\$475,204	\$274,346	-\$200,857	\$0	\$60,000	-\$140,857
	Clyde Hill	\$3,676	\$4,389	\$2,465	\$10,530	\$8,044	-\$2,486	\$0	\$0	-\$2,486
	Unincorporated King County	\$174,816	(see total below)	(see total below)	\$174,816	(see total below)	(see total below)	NA	NA	(see total below)
	Hunts Point	\$382	\$677	\$229	\$1,288	\$230	-\$1,059	\$0	\$0	-\$1,059
	Issaquah	\$42,683	\$58,181	\$20,013	\$120,876	\$64,509	-\$56,368	\$0	\$0	-\$56,368
	Mercer Island	\$26,827	\$37,530	\$17,142	\$81,498	\$55,113	-\$26,385	\$0	\$0	-\$26,385
	North Bend	\$10,448	\$14,463	\$4,024	\$28,935	\$14,341	-\$14,594	\$3,565	\$0	-\$11,029
	Snoqualmie	\$12,950	\$20,832	\$6,901	\$40,683	\$23,667	-\$17,015	\$0	\$0	-\$17,015
	Yarrow Pt	\$1,102	\$1,405	\$819	\$3,327	\$2,864	-\$463	\$0	\$0	-\$463
<b>SUBTOTAL FOR CITIES IN 220 (excludes unincorporated area)</b>		<b>\$249,834</b>	<b>\$371,210</b>	<b>\$142,523</b>	<b>\$763,567</b>	<b>\$444,014</b>	<b>-\$319,553</b>	<b>\$3,565</b>	<b>\$60,000</b>	<b>-\$255,988</b>
<b>240</b>	Burien (includes North Highline Area X Annexation)	\$85,675	\$161,131	\$35,845	\$282,652	\$119,251	-\$163,400	\$34,634	\$0	-\$128,767
	Unincorporated King County	\$81,257	(see total below)	(see total below)	\$81,257	(see total below)	(see total below)	NA	NA	(see total below)
	Kent (Includes Panther Lake Annexation)	\$169,516	\$643,902	\$84,166	\$897,584	\$255,365	-\$642,219	\$317,628	\$60,000	-\$264,591
	SeaTac	\$50,171	\$105,148	\$18,847	\$174,166	\$53,065	-\$121,101	\$19,272	\$10,000	-\$91,829
	Tukwila	\$38,031	\$78,208	\$12,000	\$128,239	\$30,348	-\$97,892	\$13,609	\$10,000	-\$74,282
<b>SUBTOTAL FOR CITIES IN 240 (excludes unincorporated area)</b>		<b>\$343,393</b>	<b>\$988,390</b>	<b>\$150,858</b>	<b>\$1,482,641</b>	<b>\$458,028</b>	<b>-\$1,024,612</b>	<b>\$385,143</b>	<b>\$80,000</b>	<b>-\$559,469</b>
<b>260</b>	Algona	\$10,146	\$16,087	\$2,418	\$28,651	\$11,415	-\$17,237	\$7,746	\$0	-\$9,491
	Auburn	\$135,980	\$318,537	\$45,052	\$499,569	\$158,415	-\$341,154	\$170,685	\$0	-\$170,469
	Black Diamond	\$10,160	\$17,383	\$3,483	\$31,026	\$13,071	-\$17,954	\$3,131	\$0	-\$14,824
	Covington	\$49,061	\$63,567	\$15,742	\$128,371	\$60,534	-\$67,836	\$13,130	\$0	-\$54,706
	Enumclaw	\$30,292	\$53,472	\$8,541	\$92,304	\$22,464	-\$69,840	\$32,161	\$10,000	-\$27,679
	Unincorporated King County	\$126,254	(see total below)	(see total below)	\$126,254	(see total below)	(see total below)	NA	NA	(see total below)
	Maple Valley	\$45,622	\$63,754	\$17,056	\$126,432	\$62,293	-\$64,139	\$15,609	\$0	-\$48,530
	Pacific	\$17,136	\$33,165	\$4,682	\$54,982	\$18,920	-\$36,062	\$17,400	\$0	-\$18,662
<b>SUBTOTAL FOR CITIES IN 260 (excludes unincorporated area)</b>		<b>\$298,396</b>	<b>\$565,966</b>	<b>\$96,974</b>	<b>\$961,335</b>	<b>\$347,112</b>	<b>-\$614,223</b>	<b>\$259,862</b>	<b>\$10,000</b>	<b>-\$344,362</b>
<b>TOTAL FOR CITIES</b>		<b>\$1,199,341</b>	<b>\$2,299,526</b>	<b>\$629,314</b>	<b>\$4,128,181</b>	<b>\$2,180,117</b>	<b>-\$1,948,064</b>	<b>\$650,000</b>	<b>\$150,000</b>	<b>-\$1,148,064</b>
<b>Total King County Unincorporated Area Allocation</b>		<b>\$499,259</b>	<b>\$705,374</b>	<b>\$269,086</b>	<b>\$1,473,719</b>	<b>\$1,029,352</b>	<b>-\$444,367</b>			<b>-\$444,367</b>
								<b>King County Transitional Costs</b>		
								• IT Costs Associated with Mainframe Systems		
								• Potential Lease Costs for 2011		
								• Transition Funding for Cities		
								• Transitional Licensing Support for Cities		
								<b>TOTAL FOR KING COUNTY</b>		
								<b>-\$1,514,367</b>		

Source: KC Office of Management and Budget and Animal Care and Control  
Date: April 7, 2010

Notes:

1. Estimated allocations are based 50% on population and 50% on use. Populations, usage, and revenues have been adjusted to include annexations with 2010 effective dates of July 1, 2010 or earlier (i.e., Burien, Panther Lake). Usage estimated as follows: total calls for control, total intake for sheltering, and total active licenses for licensing. Assumes the following cities do not participate: Federal Way, Seattle, Renton, Des Moines, Normandy Park, Medina, Newcastle, Skykomish, and Milton.
2. One quarter of control costs are allocated to each district, then costs are further allocated 50% by total call volume (averaged from 2007-2009) and 50% by 2009 population.
3. Shelter costs are allocated 50% by King County shelter volume intake (averaged for 2008-2009) and 50% by 2009 population. Values for north cities anticipating using PAWS for sheltering include only the 50% population allocation. North city costs to send animals formerly sent to King County shelters to PAWS are estimated at the following assuming a cost of \$150 per animal: Bothell, \$13,050; Kenmore, \$7,575; Lake Forest Park, \$3,150; Shoreline, \$22,575; Woodinville, \$6,600. The reduction in population-related costs for the north cities is distributed to all other jurisdictions based on
4. Licensing costs are allocated 50% by population and 50% by total number of active licenses (average 2007-2009).
5. Transition funding is allocated per capita in a two tier formula to cities with certain per capita net cost allocations as indicated below. Licensing support is allocated to the five cities with the lowest per capita licensing revenue.
  - \$250,000 is allocated to cities with net costs exceeding \$3.00 per capita
  - \$400,000 is allocated to cities with net costs exceeding \$5.50 per capita

Estimates of  
Animal Control Officer Costs  
2010, 2011, 2012  
Bellevue Police Department

Assumptions:

# of Animal Control Officers	2
Avg Hourly Sal	\$26.59
# of Vehicles	1

<b>COST CATEGORY</b>	<b>One-Time Cost</b>	<b>On-Going Cost</b>
Salary	\$0	\$110,614
Benefits	\$0	\$40,588
Overtime	\$0	\$9,011
<b><u>Direct Costs:</u></b>		
Vehicle:		
Purchase Price (inc MDC)	\$80,000	\$0
Maintenance/Replacement	\$0	\$11,800
Basic BPD (PSO)		
Uniform/Equipment (includes all clothing, vests, belts, equipment, including Tasers and radios)	\$14,140	\$2,000
Specialized Equipment: (Come-alongs, lariats, nets, bite sticks, pepper spray, etc.)	\$4,000	\$2,000
MDC for Vehicle(s)	\$2,500	\$833
New World RMS License	\$3,000	\$0
Vehicle Fuel	\$0	\$4,560
Training/Certification	\$1,000	\$500
Operating Supplies	\$200	\$200
Office Supplies	\$50	\$50
Association Dues	\$200	\$200
Background Check Costs	\$2,000	\$0
<b>Subtotal Direct Costs</b>	<b>\$107,090</b>	<b>\$182,356</b>
<b><u>Indirect Costs:</u></b>		
Police Supervisory	\$0	\$5,976
IT Support	\$0	\$17,672
Fleet Other Charges	\$0	\$150
Indirect Overhead (includes HR, Finance, CMO, etc.)	\$0	\$19,272
GSI Premium	\$0	\$3,954
Word Processing/Copying	\$0	\$1,658
<b>Subtotal Indirect Costs</b>	<b>\$0</b>	<b>\$48,682</b>
<b>Totals:</b>	<b>\$107,090</b>	<b>\$231,038</b>

<b>2010 Cost*</b>	<b>\$338,128</b>
<b>2011 Cost</b>	<b>\$235,427</b>
<b>2012 Cost</b>	<b>\$239,901</b>

*\*2010 cost includes both one-time and on-going cost.*

*2011 and 2012 are only on-going costs, using 1.9% as CPI estimate both years*