

FORM APPROVED COUNTY COUNSEL
 BY: *[Signature]* 6/3/15
 DATE: GREGORY P. PRIAMOS

**SUBMITTAL TO THE BOARD OF SUPERVISORS
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

273A



FROM: Riverside County Executive Office

SUBMITTAL DATE:
 June 2, 2015

SUBJECT: Southwest Communities Financing Authority (SCFA) Joint Powers Authority (JPA) Second Amended and Restated Animal Shelter Operations Agreement

RECOMMENDED MOTION: That the Board of Supervisors: Approve the Second Amended and Restated Animal Shelter Operations Agreement between Southwest Communities Financing Authority (SCFA) Joint Powers Authority (JPA) and Animal Friends of the Valleys (AFV) for the term July 1, 2015 through June 30, 2020.

BACKGROUND:

Summary

The SCFA is a JPA comprised of member agencies consisting of the cities of Murrieta, Lake Elsinore, Canyon Lake, Temecula, Wildomar and the County of Riverside. The formation of this JPA was approved by the Riverside County Board of Supervisors on November 30, 2004; Third Amended and Restated Joint Powers Agreement was approved on January 26, 2010.

(CONTINUED)

[Signature: Donna Shaw]
 Donna Shaw, Associate
 Management Analyst

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ -0-	\$ -0-	\$ -0-	\$ -0-	Consent <input type="checkbox"/> Policy X
NET COUNTY COST	\$ -0-	\$ -0-	\$ 0	\$ 0	

SOURCE OF FUNDS: Budget Adjustment: No
 For Fiscal Year: 2015

C.E.O. RECOMMENDATION: **APPROVE**
 BY: *[Signature: Christopher M. Hans]*
 County Executive Office Signature Christopher M. Hans

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
 Nays: None
 Absent: None
 Date: June 16, 2015
 xc: E.O.

Kecia Harper-Ihem
 Clerk of the Board
 BY: *[Signature]*
 Deputy

Prev. Agn. Ref.: 8/10/10, #3.6 | District: 1 & 3 | Agenda Number:

3-14

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Departmental Concurrence

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Second Amended and Restated Animal Shelter Operations Agreement between
Southwest Communities Financing Authority (SCFA) Joint Powers Authority (JPA) and Animal
Friends of the Valleys (AFV) for the term July 1, 2015 through June 30, 2020.**

DATE:

PAGE: 2 of 2

BACKGROUND:

Summary (continued)

On August 10, 2010, Item #3.6, the Riverside County Board of Supervisors approved the Animal Shelter Operations Agreement brought forth from the SCFA JPA Board of Directors approved at their annual meeting on July 21, 2010. On March 7, 2012 the SCFA JPA Board of Directors approved the First Amended and Restated Animal Shelter Operations Agreement, updating shelter adoption service hours, animal licensing, and definitions to treatable and untreatable. Changes were minimal in nature, and did not require Riverside County Board of Supervisors approval.

This Second Amended and Restated Animal Shelter Operations Agreement approved recently by the SCFA JPA Board of Directors Meeting on April 9, 2015 requests changes more significant in nature such as the handling of sensitive communications received by AFV, SCFA or the County in relation to shelter services provided; annual reviews which require monitoring performance of the animal shelter; and updates to its marketing program activities. The term of the agreement is from July 1, 2015 through June 30, 2020. Annual Operations costs of the animal shelter remains at \$1 million; the County's portion of shelter operations costs is 14.85% for FY 15/16.

Impact on Citizens and Businesses

The experienced and qualified opinion of an ombudsman when handling communications of the animal shelter's operations and performance considered sensitive in nature, will result in less controversy of services offered. Annual performance reviews of the shelter will also maintain the shelter's performance status at an acceptable level. An ongoing marketing program will ensure SCFA's and AFV's intent to cooperate and jointly participate in establishing updated programs for public education, marketing, spay and neutering and exploring no-kill shelter options. Program fees of \$12,500 per agency to support updates to marketing, spay and neutering and no-kill shelter options are considered each year.

SUPPLEMENTAL:

Additional Fiscal Information

Fiscal impacts of this Second Amended and Restated Animal Shelter Operations Agreement have already been budgeted for FY 15/16 and will increase the County's portion of costs by approximately \$23,300.

1 **SECOND AMENDED AND RESTATED**

2 **ANIMAL SHELTER OPERATIONS AGREEMENT**

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4 THIS SECOND AMENDED AND RESTATED ANIMAL SHELTER OPERATIONS
5 AGREEMENT ("Contract") is made and entered into as of July 1, 2015, and is in effect through June 30,
6 2020, by and among the Animal Friends of the Valleys, a California Non-profit Corporation ("AFV") and
7 the Southwest Communities Financing Authority ("SCFA"), a California joint powers authority
8 comprised of member agencies and the County of Riverside ("County"), with reference to the following
9 facts:

10 WHEREAS, AFV leases certain property located at 33751 Mission, Trail, Wildomar, California
11 ("The Property") from the Elsinore Valley Municipal Water District in the southwestern portion of
12 Riverside County for the purpose of constructing an animal shelter; and,

13 WHEREAS, the SCFA constructed an animal shelter ("Shelter") for the southwestern Riverside
14 County, with the geographic boundaries of the joint powers authority to be located on The Property; and

15 WHEREAS, the SCFA leases The Property from AFV pursuant to a Ground Lease Agreement
16 between AFV as lessor, and SCFA, as lessee; and

17 WHEREAS, concurrently with the delivery of the Ground Lease, the SCFA has leased The
18 Property to the County pursuant to a Lease Agreement ("Lease Agreement") for the purpose of financing
19 the Shelter; and

20 WHEREAS, the SCFA provided for the construction of the Shelter through its power to issue tax-
21 exempt bonds; and

22 WHEREAS, AFV has the personnel and experience to provide shelter services and is willing to
23 enter into a contract with SCFA and the County for the provision of such services subject to the terms and
24 conditions and for the compensation as set forth herein; and,

25 WHEREAS, the SCFA is desirous of having AFV provide a broad range of animal shelter
26 activities pursuant to this Contract for the purpose of safeguarding the health and safety of the population
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1 of the SCFA entities and the health and safety of its domestic animals, and for the purpose of promoting
2 the humane treatment of animals;

3 NOW THEREFORE in consideration of the mutual promises, covenants and conditions contained
4 herein, the parties mutually agree as follows:

5 1. Program Philosophy. The animal care philosophy which forms the basis of this Contract
6 includes the following:

7 (1) Dedication to promoting humane care of animals through education and a humane,
8 pro-active animal services program.

9 (2) Committed to preventing the suffering of animals and to ending pet overpopulation.

10 (3) Responsible care and treatment of animals while in custody at the Shelter to ensure
11 that animals impounded are provided with humane and appropriate levels of care including a clean
12 environment, fresh water, proper nutrition and appropriate medical care.

13 (4) Maintenance of a process for local residents to report lost and found animals, and
14 for AFV to identify by any means available to it (including microchips) the animals with guardian
15 identification, and inform the inquiring public as quickly as possible. This will include at a
16 minimum: (a) providing "lost animal" forms that may be completed at the Shelter or online; (b)
17 having Shelter staff process submitted forms within 24 hours, excluding Sundays and legal
18 holidays; (c) posting photographs of impounded animals on the Shelter's website within 24 hours
19 of arrival at the Shelter, excluding Sundays and legal holidays, and d) to explore new technologies
20 and innovative approaches to identifying lost animals.

21 (5) Reunite lost animals taken to the Shelter with their rightful guardians. Shelter staff
22 shall attempt to notify the guardians by telephone, electronically or in person with regard to the
23 impounding of their animal, within 24 hours, excluding Sundays and legal holidays. In the event
24 that such notification attempt fails, Guardians must then be notified immediately in writing of the
25 impoundment of their animal by mail. Documentation of all such notification activity shall be
26 maintained and made available to the SCFA upon request.

27 (6) Adoption of healthy domesticated animals.
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1 (7) Encourage all adopted animals are microchipped, spayed/ neutered and licensed.

2 (8) Ensure all dogs and cats adopted from the Shelter are spayed or neutered, or that
3 adequate provisions are made for such spaying or neutering if AFV transfers any animals to
4 another nonprofit corporation or humane society for the sole purpose of providing adoption
5 services, unless adopted animal is unable to receive spaying or neutering due to a medical
6 condition.

7 (9) Develop and implement a program to provide for the participation of volunteers in
8 Shelter-related activities.

9 (10) Continue to strengthen existing relationships and forge new relationships with
10 rescue partnerships and foster families approved by AFV.

11 2. Retention of AFV. SCFA hereby retains AFV and AFV hereby agrees to operate and
12 manage an animal shelter program for the SCFA consisting of, but not limited to, the following services:
13 impoundment, care and feeding of all domestic and other animals at the Shelter; veterinary medical care
14 as needed for the animals at the Shelter, including vaccination; adoption of animals; a spay/neuter
15 program; euthanasia services when necessary; microchipping of qualified adopted animals and
16 maintenance of the Shelter. AFV shall, in providing such services, utilize volunteers to the fullest extent
17 possible and pursuant to the plan prepared in accordance with Section 8(t) of this Contract.

18 3. Definition of Shelter Services. "Shelter Services," as used in this Contract shall include,
19 but is not limited to, the following activities:

20 (a) Impoundment, admittance, receiving, care, custody and feeding of any and all
21 domestic animals and the impoundment of wildlife as may be delivered and/or received at the
22 Shelter until an appropriate wildlife agency can be contacted and the wildlife then transferred into
23 their custody.

24 (b) Redemption, treatment, sale, adoption, and/or disposal of any and all animals.

25 (c) Counseling and advising animal guardians.

26 (d) Identifying animals impounded brought into the Shelter and conducting a thorough
27 search for such animals' guardians.

1 (e) Posting photographs of all newly impounded animals on the Shelter website within
2 24 hours of impoundment, excluding Sundays and holidays.

3 (f) Ensuring that all dogs returned to guardian, four months and older, released from
4 the Shelter are licensed and, if not licensed, to sell license to the guardian or other person taking
5 custody of each such dog in accordance with various cities/county ordinances. Upon such time as
6 may be feasible and in accordance with the various cities/county ordinances, require the
7 microchipping of released animals at the guardian's expense.

8 (g) Maintaining an up-to-date record of all animals processed through the Shelter
9 including, but not limited to, those animals that are impounded, adopted, quarantined, euthanized,
10 animals processed at immunization clinics, and any animal receiving spaying or neutering
11 services. Records shall also be maintained for: (1) the number of animals brought in/surrendered
12 by guardians for impoundment; (2) the number of animals impounded by each city/county; (3)
13 total animals impounded; (4) the number of animals adopted or transferred; and (5) the number of
14 stray/impounded animals returned to guardian. The above measures shall be reported to the SCFA
15 on a monthly basis.

16 (h) Euthanization of animals as lawful and necessary, including the creation of a
17 summary log detailing the number of animals that are euthanized by agency, which shall be
18 submitted to the SCFA on a monthly basis. The euthanasia summary log shall include the species
19 of animal and identify the reason for each instance of euthanasia as one of the following: (1)
20 agonal; (2) by veterinarian; (3) feral; (4) not placeable (behavioral, old, injured); (5) request; (6)
21 sick; (7) space; or (8) too young.

22 (i) Proper disposal of dead animals.

23 (j) Care and maintenance of the Shelter, including land and buildings. "Care" includes
24 but is not limited to providing a safe, temporary refuge for any animal impounded and/or
25 quarantined in the jurisdictional boundaries served by the SCFA.

26 (k) Provide needed medical services for injured/sick animals or arranging transfer of
27 animal to the appropriate agency.
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1 4. Definition of Adoptable Animal. “Adoptable Animal” shall mean those animals eight
2 weeks of age or older that at or subsequent to the time the animals are impounded or otherwise taken into
3 possession, have manifested no sign of disease, injury, or congenital or hereditary condition that adversely
4 affects the health or temperament of the animal, or that is likely to adversely affect the animal’s health in
5 the future. Dogs declared as “vicious” under State and/or local laws are unadoptable. Adoptable animals
6 may be old, deaf, blind, disfigured or disabled. An animal with a treatable behavioral disorder as
7 determined by qualified Shelter staff may be considered adoptable.

8 5. Definition of Placeable Animal. “Placeable” shall mean an animal with a medical
9 condition such as skin problems, bad flea or skin infestations, a broken limb, abscess, kennel cough, or
10 problems that may be treated with appropriate resources, holding space, treatment and/or time.
11 “Placeable” shall also mean an animal with behavioral conditions that may be corrected with time and
12 proper training, such as chasing animals/objects and cats, food aggression, etc.

13 6. Definition of Not Placeable Animal. “Not Placeable” shall mean any animal that is
14 irremediably suffering from a serious illness or physical or behavioral injury and shall not be held for
15 guardian redemption or adoption.

16 7. Term. The term of this Contract shall be from July 1, 2015 through June 30, 2020. The
17 SCFA may terminate this Contract upon six (6) months prior written notice to AFV, should the SCFA
18 determine that AFV is not providing the requisite services as set forth in Section 8 herein or is not in
19 compliance with any of the other provisions contained in this Contract. Upon receipt of this notice of
20 intent to terminate services, AFV shall continue to provide Shelter Services to the SCFA for up to twelve
21 (12) months for the contract fee until the SCFA is able to obtain a suitable replacement to provide Shelter
22 Services and notifies AFV in writing of the effective termination date. The SCFA may further renew this
23 Contract upon terms and conditions agreed upon by AFV. Should the SCFA and AFV elect to renew this
24 Contract, negotiations for such renewal shall take place as soon as practicable. AFV may terminate this
25 Contract with the same six (6) months prior written notification should the SCFA fail to comply with any
26 of its duties under this Contract, and will continue to provide Shelter Services for the contracted fee until
27 the SCFA is able to obtain a suitable replacement, providing the replacement services are in place within
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1 twelve (12) months of the termination date, at which time AFV may cease providing such services to the
2 SCFA, unless otherwise agreed to. The County shall have no right to terminate this Contract so long as
3 SCFA is a party (or the County shall remain a party to the contract as long as SCFA is in the contract).

4 8. Scope of Shelter Services. In conducting Shelter Services, AFV agrees to perform the
5 following specific functions at the Shelter located at 33751 Mission Trail, Wildomar, California (A.P.N.
6 No. 370-060-050):

7 (a) Enforcement. Enforce all relevant provisions of the relevant cities/county
8 ordinances or state law as may be applicable to animals housed, kept or maintained at the Shelter
9 or at separate facility for livestock.

10 (b) Incoming Animal Identification. Incoming animals must be checked immediately
11 for collar tag, and scanned for microchip by qualified Shelter staff within two hours of arrival to
12 the Shelter, excluding Sundays, legal holidays and those animals deposited in the night drop-off
13 area. Shelter staff shall attempt to notify guardians as soon as possible, but in any event no longer
14 than twenty-four (24) hours of their animal being impounded, excluding Sundays and legal
15 holidays. All identification and guardian contact information, including dates, must be noted in
16 the animal record.

17 (c) Lost Animal Reclamation. If such animals are impounded, any information
18 provided by a license tag or microchip shall be cross-referenced and checked against information
19 already in possession of the Shelter so as to determine the animal's guardian and appropriate
20 notice given if the guardian is able to be determined. A log of such activities must be maintained
21 on an animal-by-animal basis and made available to the SCFA as requested.

22 (d) Quarantine. AFV shall quarantine, as prescribed by law, all animals suspected of
23 being rabid.

24 (e) Isolation. Dangerous, vicious, sick, pregnant, highly stressed and other animals
25 will be isolated as outlined in AFV Operating Procedures.

26 (f) Impoundments and Quarantines. AFV shall house, feed and care for all animals
27 impounded and/or quarantined at the Shelter and/or quarantined in and on behalf of the SCFA.
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1 Absent any qualified waiver of fees, on a case by case basis, AFV shall collect all impound,
2 boarding and other fees on behalf of the SCFA and shall provide an accounting to the SCFA for
3 all such fees collected.

4 (g) Incoming Animal Examinations/Assessments. Every animal that arrives at the
5 Shelter will receive a cursory examination within two (2) hours by a staff member(s) trained to
6 provide animal assessments to determine any emergent needs, if any. A more comprehensive
7 exam will be performed within twelve (12) hours, except after regular business hours when the
8 examination will be performed within twenty-four (24) hours, excluding Sundays and legal
9 holidays. Incoming animal assessment must include: (1) A systemic physical examination to
10 determine if a medical condition exists which requires a veterinarian's attention; (2) vaccinations
11 and deworming as needed; (3) external parasite treatment, if necessary; (4) the animal's incoming
12 weight; (5) scanning for microchip identification; (6) an identification device physically attached
13 to the animal to identify the animal within the Shelter; (7) any identifying features or
14 abnormalities. AFV shall properly document on an animal-by-animal basis that an
15 examination/assessment is performed.

16 (h) Behavioral Assessments. A standard behavioral assessment for dogs and a training
17 evaluation for puppies less than six (6) months of age to assist with the selection process of dogs
18 available for adoption shall assess: (1) a dog's personality and particular needs related to the
19 personality and breed; (2) a dog's temperament and any particular problems related to the
20 temperament; (3) a dog's ability to interact and socialize with people; (4) level of submission or
21 dominance; (5) what training style would be best suited for the dog; (6) food aggression,
22 separation anxiety or other determined problems; (7) energy or activity level; (8) response to
23 physical control and physical examination; and (9) the type of home that would meet the needs of
24 the individual dog. This program will also include information on evaluating the temperaments
25 and behaviors of cats within the Shelter. AFV shall provide training on behavioral assessment of
26 animals to all involved employees within 6 months of contract execution and make available such
27 documentation on a reasonable basis to the SCFA.
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1 (i) Adoption. The goal is to place 100% of adoptable animals into homes. To offer
2 suitable animals for adoption, and operate and manage adoption activities, which shall include
3 potential pet guardian counseling and mandatory spay/neutering of all animals placed for
4 adoption. All animals offered for adoption shall, in AFV's best judgment or upon veterinary
5 consultation, be deemed suitable for adoption and in good health except in cases where adopting
6 family has been made aware of special needs and has consented to providing for those needs.
7 Persons adopting animals are to be encouraged to seek an independent veterinary examination of
8 the animals. AFV shall collect spay/neuter deposits for all adopted dogs and cats two months of
9 age and older that are not able to be altered prior to release. All spay and neutering deposits will
10 be placed in a segregated account maintained by AFV in accordance with state law and such
11 unclaimed deposits may be used for purposes stated in Section 19 of this Contract. AFV shall
12 report to the SCFA on a monthly basis, the status of such segregated account, including deposits
13 and expenditures. For any dog or cat over the age of two months placed for adoption, written
14 notice shall be given to the adopter that spay/neutering is mandatory and AFV shall implement
15 appropriate follow-up to assure compliance. Further, all adopted animals over the age of two
16 months shall be spayed or neutered within sixty days of the date such animal reached the age of
17 two months, unless a veterinarian employed, contracted or retained by AFV determines that such
18 an operation would unnecessarily endanger the life of the animal, in which case, such animal shall
19 be spayed or neutered at the earliest date when medically acceptable to do so. All dogs over the
20 age of four months must be licensed pursuant to California Food & Agriculture Code § 30951.
21 These services shall be at the guardian's expense and shall be prepaid and at the time of adoption.

22 (j) Community Adoption Partners. California Food & Agriculture Code, sections
23 31108(b) [dogs] and 31752(b) [cats] state any stray dog/cat "that is impounded pursuant to this
24 division shall, prior to the killing of that animal for any reason other than irremediable suffering,
25 be released to an approved nonprofit, as defined in Section 501(c)(3) of the Internal Revenue
26 Code, animal rescue or adoption organization if requested by the organization prior to the
27 scheduled killing of that animal. In addition to any required spay or neuter deposit, the pound or
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1 shelter, at its discretion, may assess a fee, not to exceed the standard adoption fee, for animals
2 released

3 (k) Foster Care Placement. A foster care placement program ~~can~~ would assist the
4 Shelter by improving animal care, give certain animals a better chance of adoption, and lift the
5 spirits of staff and volunteers. When it is determined that a foster animal shall be euthanized, the
6 reason shall be clearly stated in the animals ID record.

7 (l) Payments of Fees and Charges by the Public. AFV shall receive payments for
8 impoundment, boarding, adoption or other fees and charges levied at the Shelter on behalf of
9 SCFA or its member agencies. When tendered by check, money order or other non-cash
10 remittance, such payment shall be made payable to "Animal Friends of the Valleys." AFV shall
11 be responsible for clearance and payment of all checks or other non-cash remittances so deposited
12 into AFV's account. Collection charges on residents shall be paid for solely by AFV. AFV shall
13 pay for the implementation of a non-cash system for resident payments to the Shelter, such as the
14 use of credit card/debit card terminal systems. AFV shall implement an on-line payment system
15 for pet guardians to license their animals and for other services. AFV shall provide the SCFA a
16 monthly accounting of all deposits for each calendar month in such detail as reasonably required
17 by the SCFA by no later than the last day of the following month. Deposit balances shall be
18 reconciled at the end of each fiscal year ending on June 30th with appropriate adjustments being
19 made on behalf of SCFA or its member agencies.

20 (m) Vicious Dogs. Any dog declared to be vicious by AFV or by a local animal control
21 agency (in accordance with proceedings conducted pursuant to California Food and Agricultural
22 Code §§ 31601, *et seq.* and/or by local ordinance) and in custody of the Shelter either in
23 impoundment or quarantine shall be deemed unsuitable for adoption and shall not be released
24 except as required by law.

25 (n) License. Any animal in custody redeemed by the animal's guardian shall be
26 checked for the applicable license. AFV, on behalf of the SCFA, will verify that any animal
27 returned to the guardian is licensed as required by local ordinance. Any unlicensed animal must
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1 be licensed prior to being returned to the guardian, including the payment of penalties, if
2 appropriate. AFV shall transmit all license monies collected, or alternatively provide a credit for
3 such monies, to the appropriate SCFA member agency within thirty (30) days. In addition, AFV
4 shall maintain an adequate record of identifying information in connection with all license holders
5 from whom license monies are collected.

6 (o) Euthanasia. Provide euthanasia service as required for any impounded stray animal
7 held at the Shelter for the lawful number of days, if such animal is not reclaimed by said animal's
8 guardian, fostered, rescued or transferred, and is deemed to be not placeable by AFV for adoption.
9 Animals that are irremediably suffering from a serious illness or severe injury shall not be held for
10 guardian redemption or adoption. Only the following methods of euthanasia and drugs as
11 currently approved by the American Veterinary Medical Association shall be used: the intravenous
12 injection of an approved drug, intra-cardiac or the intra-peritoneal method provided such intra-
13 peritoneal method shall be used as a last resort or deemed by AFV to be more humane than the
14 standard intravenous injection. However, the ultimate decision shall be determined by a
15 veterinarian employed or contracted by AFV, consistent with approved standards of the American
16 Veterinary Medical Association. Euthanasia training in accordance with Section 2039 of the
17 California Code of Regulations, Title 16, Division 20, Article 4, must be provided to all Shelter
18 staff performing this function. Documentation that appropriate Shelter staff has been trained in
19 this regard shall be made available upon written request by the SCFA Program
20 Administrator/Assistant Program Administrator. Records will be kept for a period of not less than
21 three (3) years on each euthanized animal as required by state law. Monthly euthanasia summary
22 reports must be submitted to the SCFA by agency.

23 (p) Vaccination Clinics. AFV shall make all necessary arrangements and conduct at
24 least six (6) one-day clinics each year, to be held on a Saturday or Sunday, for the vaccination of
25 dogs and cats at times, dates and locations within the SCFA jurisdictions mutually agreeable to the
26 SCFA and AFV. SCFA shall allow AFV to conduct the sale of licenses on behalf of all SCFA
27 member agencies at all such clinics. AFV shall transmit all license monies collected, or
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1 alternatively provide a credit for such monies, to the appropriate SCFA member agency within
2 thirty (30) days. In addition, AFV shall maintain an adequate record of identifying information in
3 connection with all license holders from whom license monies are collected. Such clinics may be
4 conducted at the Shelter or other suitable facilities generally accessible to local residents within
5 the geographic boundaries of the SCFA.

6 (q) Drug Enforcement Agency (DEA). Additionally, AFV must comply with all Drug
7 Enforcement Agency (DEA) regulations regarding storage, record-keeping, inventory, use, and
8 disposal of all controlled substances.

9 (r) Feeding Protocols. All animals should be fed in amounts appropriate to meet their
10 nutritional needs

11 (s) Vaccination of Incoming Animals. All dogs and cats, except those animals visibly
12 ill, under quarantine, whose guardians have been contacted and on their way to the Shelter, and/or
13 that have recently been impounded at the Shelter, shall be vaccinated as soon as possible but under
14 no circumstances to exceed twenty-four (24) hours of the time of impoundment at the Shelter
15 (excluding Sundays and Holidays).

16 (t) Staffing and Volunteers. AFV shall recruit and supervise, all necessary personnel
17 for the office, kennel, veterinary and other areas of the Shelter, including all vaccination clinics
18 operated on behalf of the SCFA. Staffing shall include any and all full or part-time personnel and
19 shall include the recruitment, supervision and assignment of volunteers in suitable shelter-related
20 activities. Personnel employed at the Shelter in the performance of shelter related activities shall
21 be designated as AFV employees and any and all volunteers engaged in Shelter activities shall
22 participate in activities designated by AFV and shall be under the auspices of AFV. Use of
23 volunteers at the Shelter shall be determined by AFV on behalf of the SCFA. AFV shall establish
24 and implement policies and procedures for volunteers consistent with the provisions of this
25 Contract. The plan shall include staffing requirements using volunteers, training for volunteers,
26 and supervision of volunteers, methods to recruit future volunteers, measurable goals and
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1 objectives of the volunteer program and how the SCFA may assist AFV with volunteer
2 recruitment.

3 (u) Holding Periods. AFV shall hold all stray impounded animals, not otherwise
4 guardian identifiable, for a period of time as required by law. Animals may be held for longer
5 than the required holding period where: 1) an administrative, civil or criminal case or proceedings
6 necessitates an extended holding period for the animal in question; or 2) AFV at its own discretion
7 decides to extend the holding period of an animal kept at the Shelter.

8 (v) Missing Animals. AFV shall notify police immediately of any animal found to be
9 missing from the Shelter that had previously been impounded and/or in protective custody. AFV
10 shall notify the SCFA within three (3) business days of any animal found to be missing from the
11 Shelter that had previously been impounded and/or in protective custody.

12 (w) Hours of Operation. AFV shall maintain hours of operation at the Shelter as
13 follows:

14 *Shelter Services:* Monday – Saturday 10:00 a.m. to 4:00 p.m. (except on
15 Wednesday for which service hours shall be 10:00 a.m. to 7:00 p.m. and Saturday
16 for which service hours shall be 10:00 a.m. to 5:00 p.m.).

17 *Phone Services:* Monday – Saturday 8:00 a.m. to 4:00 p.m.

18 *Adoption Services:* Monday, Tuesday, Thursday and Friday 10:00 a.m. to
19 4:00 p.m.; Wednesday 10:00 a.m. to 7:00 p.m.; Saturday 10:00 a.m. to 5:00 p.m.;
20 Third Sunday of each month 12:00 p.m. to 4:00 p.m.

21 Shelter shall be closed on the following holidays: New Year's Day(January 1),
22 Memorial Day (last Monday of May), Independence Day (July 4), Labor Day (first
23 Monday of September), Thanksgiving Day (fourth Thursday of November),
24 Christmas Eve (December 24, close at 12 p.m.) and Christmas Day (December 25).

25 In the event that a holiday falls on a Sunday then it will be observed on the
26 subsequent Monday. SCFA shall review the Shelter's hours of operation on an
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1 annual basis to determine whether or not adjustments need to be made based on
2 budgetary considerations as set forth in Section 17 of this Contract.

3 (x) Communications. "Communications" as used herein shall mean any and all
4 positive and negative communications from any source, whether or not signed, received by SCFA
5 regarding AFV's performance of sheltering/operating services under this Contract.
6 Records/documents/information deemed as exceptions to the Public Records Act pursuant to
7 *Government Code* section 6254 and/or privileged pursuant to *Evidence Code* sections 1040 and
8 1041 are not "Communications." All Communications are to be given to AFV within three (3)
9 business days without redaction. The SCFA shall not discuss or publish negative
10 Communications other than as provided for in this Contract.

11 The following process will be followed for a period of two (2) years, after which
12 the process will either be re-evaluated or will continue during the term of this Contract.

13 (1) Communications Received by AFV. If a Communication is received directly by
14 AFV and is deemed practical in nature, AFV shall respond to the source of the
15 Communication by telephone and/or electronic mail within five (5) business days.

16 (2) Communications Received by SCFA or County. Every Communication received
17 by the SCFA agency shall be communicated or copied to the SCFA Program
18 Administrator and/or Assistant Program Administrator within two (2) business
19 days. If AFV is not made aware of the Communication, the Communication will
20 not be disclosed in public, and there will be no need for a response by AFV. AFV
21 shall not be held responsible in any way if the SCFA fails to forward a
22 Communication to the Program Administer or Assistant Program Administer.
23 Forwarded Communications will be handled as follows:

24 a) Anonymous Negative Communications. All anonymous negative
25 Communications shall be communicated to AFV and shall otherwise be
26 totally disregarded.

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b) Practical Communications. If it is determined that the Communication is practical in nature, it will be forwarded to AFV for response as provided in section (1) above.

c) AFV Personnel: Communications involving AFV personnel matters will be the sole responsibility of AFV. Any Communications received by SCFA regarding AFV personnel shall be forwarded to AFV and kept strictly confidential.

d) Negative Communications. If it is determined that the Communication is negative and not practical in nature, the SCFA Program Administrator/Assistant Program Administrator will decide which of the following actions to take and will give AFV written notice of the decision within five (5) business days.:

(i) Ignored: If the SCFA Program Administrator and/or Assistant Program Administrator determine the Communication is unworthy of a response it may decide to ignore it.

(ii) CRC: The SCFA Program Administrator/Assistant Program Administrator may forward the Communication to the CRC for discussion and review.

(iii) Ombudsman: The SCFA shall establish a primary and alternate Ombudsman who specializes in animal shelter operations and services. When appropriate, a Communication may be referred to the Ombudsman. If the party who made the Communication requested it be kept confidential and the SCFA Program Administrator/Assistant Program Administrator agrees that it is appropriate to keep the Communication confidential, the Communication will be forwarded to the Ombudsman. The Ombudsman shall review the Communication, conduct an

1 investigation that includes interviewing AFV staff, and within five
2 (5) days provide a written report with a recommendation to the
3 Program Administrator and the Executive Management Committee
4 (“EMC”) with a copy to AFV. The EMC will decide how to resolve
5 the Communication and will advise AFV of its decision, or the EMC
6 will refer the Communication to the SCFA Board of Directors to
7 decide how to resolve the Communication

8 (iv) Notice of Disposition. SCFA will provide AFV with written notice
9 of the disposition of all negative Communications within five (5)
10 business days.

11 (y) Emergencies. Any SCFA requests involving imminent danger to the public will be
12 forwarded by telephone and electronic mail directly to AFV’s Director or designee. All calls
13 involving imminent danger scenarios will be responded to within 60 minutes as reasonably
14 possible, subject to considerations involving the time of day, traffic conditions, or other
15 uncontrollable circumstances. AFV shall notify the SCFA of all calls involving imminent danger
16 to the public within 60 minutes.

17 (z) Disease Control and Sanitation. AFV shall maintain the Shelter in a clean and
18 sanitary condition in order to control the growth or presence of bacteria, disease and unpleasant
19 odors. AFV’s policies and procedures for disease control and sanitation shall be based on
20 standards and/or guidelines commonly employed in public animal shelter operations. AFV’s
21 policies and procedures in this area may include beneficial standards and/or guidelines derived
22 from reputable animal care organizations. AFV’s policies and procedures shall substantially
23 conform to the version attached hereto as Exhibit “A” to the original Operating Agreement.

24 (aa) Provision of Personnel and Supplies. Provide personnel, supplies, materials,
25 medication, pharmaceuticals, and equipment not otherwise supplied, including forms, reports and
26 animal identification tags to perform all aspects of the shelter services program.
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1 (bb) SCFA Access. AFV shall provide access to the authorized representatives of the
2 SCFA to the entire Shelter during normal business hours, and at such other times upon reasonable
3 notice with a 24 hour notice as agreed upon.

4 (cc) Fowl Care. AFV shall provide food, care and shelter to fowl, either at the Shelter
5 or at another location when such animals cannot be cared for at the Shelter. The holding period of
6 such animals, if any, shall be for a period of time as required by law. Animals may be held for
7 longer than the required holding period where: 1) an administrative, civil or criminal case or
8 proceedings necessitates an extended holding period for the animal in question; or 2) AFV at its
9 own discretion decides to extend the holding period of an animal kept at the Shelter. Costs of
10 housing any fowl, regardless of shelter location, shall be charged to the guardian of the animal, if
11 known. If the animal's guardian wishes to redeem the animal, the guardian shall first pay all
12 applicable fees and charges incurred either at the Shelter or at another location when such animals
13 cannot be cared for at the Shelter. All fees, charges and other revenues collected will be deposited
14 by AFV in an AFV bank account as designated by AFV no later than three (3) days after
15 collection. AFV shall be responsible for clearance and payment of all checks or other non-cash
16 remittances so deposited into AFV's account. Should the animal(s) not be redeemed by the
17 guardian or if the identity of the guardian is unknown, AFV shall seek reimbursement from the
18 appropriate SCFA member agency for all expenses related to caring for fowl on behalf of the
19 SCFA member agency. AFV shall notify the SCFA in writing where said expenses reach the
20 amount of \$5,000 or greater per incident. Such expenses shall not exceed the amount of \$25,000
21 per incident unless authorized in writing by the SCFA. AFV shall provide the SCFA a monthly
22 accounting of all deposits for each calendar month in such detail as reasonably required by the
23 SCFA by no later than the last day of the following month.

24 (dd) Customer Satisfaction. Customer satisfaction is a critical measure of effective
25 service provision. Each month, AFV shall provide the SCFA with a customer satisfaction report,
26 including the customer satisfaction surveys.

1 (ee) Animal Disposal. AFV shall prohibit any animal whether dead or alive, which has
2 been impounded, in custody, or in quarantine at the Shelter to be given away, disposed of, traded,
3 sold or in any manner given over to another person, organization or entity for experimentation,
4 regardless of purpose. AFV shall be responsible for the disposal of animal remains in its custody
5 or control, subject to applicable laws.

6 (ff) Level of Service Provided. AFV will provide shelter services as defined in this
7 Contract at the level of service specified by the SCFA. AFV's policies and procedures for shelter
8 services shall be based on standards and/or guidelines commonly employed in public animal
9 shelter operations. AFV's policies and procedures in this area may include beneficial standards
10 and/or guidelines derived from reputable animal care organizations.

11 (gg) Materials and Information. Offer complementary educational material and animal
12 care information programs, including the benefits of spay/neutering and humane animal care, to
13 the public at the Shelter and at other locations designated by SCFA. AFV must include on its
14 current website within three months of contract execution, photographs of all found animals
15 posted within 24 hours of arrival to the shelter, excluding Sundays and legal holidays.

16 (hh) Kennel Area Supervision. Areas of the Shelter where animals are cared for and in
17 custody shall be under the supervision of a Supervising Animal Care Attendant or other
18 supervisory employee designated by AFV. Cages, pens and other areas of animal confinement
19 shall have appropriate locking devices to provide for animal security and safety of the public,
20 visitors, staff and volunteers.

21 (ii) Shelter Equipment. SCFA acknowledges that AFV has provided and owns all
22 equipment used to operate the Shelter, including installed cages and other items that might
23 otherwise be fixtures. In the event that AFV is no longer retained as the operator of the Shelter,
24 AFV may remove all such equipment and supplies when they vacate the Shelter premises. As an
25 alternative to such removal, AFV may negotiate with SCFA for the sale of any of said equipment
26 and supplies to SCFA based on their depreciated value.

1 (ii) Changes to Policies and Procedures: AFV shall report any changes made to
2 policies and procedures manual to SCFA within 30 days.

3 9. Contract Review Committee.

4 (a) A Contract Review Committee ("CRC") shall be formed which shall include the
5 Program Administrator or designee and individuals from at least two (2) of the SCFA member
6 agencies and up to an equal number of individuals designated by AFV.

7 (b) The CRC shall meet quarterly or as needed to discuss the Shelter operations and
8 services and performance of this Contract.

9 (c) The CRC shall be responsible for resolving contractual disputes that may arise
10 between the SCFA and AFV and to ensure performance of this Contract.

11 (d) The CRC may recommend and order annual performance reviews by an
12 independent third party agreed upon by AFV to perform a review of AFV's services and operation
13 of the Shelter. All reviews will be scheduled with reasonable written notice to AFV's Director.

14 (e) The CRC will review all drafts of AFV performance reviews within three (3)
15 months of preparation to ensure AFV's performance of this Contract and/or to determine any
16 improvements to be made or that have already been made by AFV prior to preparation of a final
17 performance review being submitted to the EMC and the SCFA Board of Directors.

18 (f) AFV shall be provided a complete written copy of every draft of each performance
19 review of AFV within three (3) business days of its preparation or receipt by the SCFA, any of its
20 member agencies. AFV shall be provided a complete written copy of each final performance
21 review no less than five (5) business days before it is submitted to or released to others, including
22 members of the public and the press. AFV shall have the right to provide comments and
23 explanations in response to any performance review drafts and finals. Those comments and
24 explanations will become a part of the performance review record and will be included with any
25 performance review submitted to the EMC and the SCFA Board of Directors. AFV agrees not to
26 publicly release any draft performance reviews without obtaining prior approval from SCFA.

1 (g) The SCFA shall notify AFV in writing of any material failure to perform under the
2 terms of this Contract and shall request AFV to correct such deficiencies within ten (10) calendar
3 days or such longer period as the SCFA deems reasonable under the circumstances. A “material
4 failure” shall be defined as the inability or unwillingness to perform all or any portion of this
5 Contract. If AFV fails to correct such failures to perform within said ten (10) calendar days, or
6 such longer period as may have been granted by the SCFA, AFV shall respond in writing
7 explaining the nature of the problem and how it will be addressed. If the matter is not resolved to
8 the satisfaction of the SCFA within thirty (30) calendar days or such longer period as granted by
9 AFV, AFV and SCFA shall meet within ten (10) calendar days or as soon thereafter as reasonably
10 possible to resolve the matter. If the matter is still not resolved, AFV and the SCFA shall refer it
11 for consideration by the CRC as provided in Section 9(c) herein.

12 (h) The CRC’s recommendations shall be made jointly to the EMC and AFV’s Board
13 of Directors for consideration of implementation or feasibility to resolve disputed matters before
14 they escalate to the point of either party desiring a termination of the affected contract.

15 10. Monthly and Year-to-Date Reports. AFV shall furnish the SCFA with monthly and year-
16 to-date reports and invoices detailing shelter performance and financial activities by the last day of the
17 following month. The reports shall be sent to the attention of the SCFA. These monthly reports shall
18 provide the following information:

19 (a) Financial reports, including a status report of all appropriations and expenditures by
20 line item, any emergency expenditures by line item, any emergency expenditures, appropriation
21 changes (increases or decreases or new/supplemental appropriations after original budget was
22 approved) and remaining unspent balances including encumbered amounts by purpose.

23 (b) The number of dogs adopted, euthanized, returned to guardian and dead on arrival
24 at the Shelter. The number of dogs adopted shall be further categorized by whether the dog was
25 adopted by an individual or by qualified rescue groups (“Qualified rescue groups” shall mean and
26 refer to applicable provisions contained in the California Food and Agricultural Code). Dog
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1 categories shall include stray and guardian dogs impounded as well as those surrendered at the
2 Shelter.

3 (c) The number of cats adopted, euthanized, returned to guardian, and dead on arrival
4 at Shelter. These statistics shall state the number of stray, feral, and identifiable cats impounded
5 and surrendered.

6 (d) Number of animals adopted by species.

7 (e) Number of wild and/or miscellaneous animals impounded.

8 (f) Number of animals by species requiring quarantine.

9 (g) A summary of the status of appropriations, expenditures and revenues of the shelter
10 program.

11 (h) Other reports that are reasonably requested by the SCFA.

12 11. Shelter Operations. The Shelter shall be open to the public on the specific days and times
13 as agreed to between the SCFA and AFV and as set forth in Section 8(v) of this Contract. AFV also
14 agrees to perform the following services:

15 (a) All animals impounded and/or in quarantine that are sick/injured shall receive
16 appropriate medical care by or under the supervision of a veterinary medical doctor.

17 (b) Forward monthly activity reports as defined in Section 10 of this Contract to the
18 SCFA by the last day of the following month.

19 (c) AFV's Director shall be available to provide quarterly updates to the EMC as
20 requested in accordance with the following schedule:

<u>Reporting Period</u>	<u>Report Due</u>
July - September	October
October - December	January
January - March	April
April - July	August

1 12. Maintenance.

2 (a) In addition to AFV's obligations as provided in Section 8 (y) herein, AFV shall
3 maintain the Shelter in good, operating condition to include, but not limited to:

4 (1) Building interior space areas (restrooms, lobby, corridors, carpet, flooring,
5 employee break rooms/kitchens, office areas, doors, windows, closets, file rooms, copying
6 and storage areas, ceiling).

7 (2) Building systems (refuse, telephone, lighting, security and fire).

8 (3) Building equipment (computer hardware and software, tables, desks, chairs,
9 file cabinets, book shelves, office furniture, furnishings, printers, copying machines, fax
10 machines, paper shredder, refrigerators, and microwave ovens).

11 (4) Building exterior areas (landscaping and, where applicable, carpet and
12 flooring).

13 (b) SCFA shall maintain certain aspects of the Shelter as follows:

14 (1) Building systems (electrical, gas, water, sewer and HVAC).

15 (2) Building equipment (window coverings and freezer units).

16 (3) Building exterior areas (parking lot, exterior lighting and signage,
17 foundation, walls, doors, windows and roofing).

18 (c) AFV shall prepare a maintenance plan that contains policies and procedures
19 detailing how it will address the maintenance obligations provided in Section 12(a). AFV shall
20 provide said maintenance plan to the SCFA within three (3) months of contract execution for
21 SCFA's review and approval.

22 (d) AFV shall obtain advance written approval from SCFA prior to entering into any
23 contract for maintenance services with respect to Shelter maintenance to be performed by a third-
24 party when cost of such services exceeds \$1,000.00 per service call and is not covered by an
25 existing contract. AFV shall provide a copy of the proposed maintenance services contract to
26 SCFA for its review prior to any approval decision being made by SCFA.

1 13. Shelter Administration. AFV shall perform administrative services to include, but not
2 limited to, tracking all animals impounded, billings, budget monitoring, financial reporting, annual audit,
3 computerized financial system.

4 14. Shelter Director. The SCFA hereby appoints the Director of AFV as the Shelter Director
5 for the SCFA with all the powers, duties and obligations of Shelter Director as set forth in local
6 ordinances pertaining to jurisdictions within the SCFA and authorizes the Shelter Director or designees of
7 the Shelter Director to operate and manage Shelter activities on behalf of the SCFA.

8 15. Powers of Shelter Director and Designees. This Contract does not limit the powers
9 conferred or the duties imposed upon the Shelter Director or designees of the Shelter Director by the
10 ordinances of the members of the SCFA. The powers conferred and duties imposed upon the Shelter
11 Director and the designees of the Shelter Director by their appointment as Animal Control Officers by
12 County or by City or by State law are in addition to their powers and duties as Shelter Director and
13 Animal Control Officers/Humane Officers for the SCFA.

14 16. Records. AFV shall maintain and keep records of all expenditures and obligations
15 incurred pursuant to this Contract and all income and fees received thereby according to generally
16 recognized accounting principles. Such records shall be maintained by AFV for a minimum of three (3)
17 years. The records and/or Shelter operations of AFV shall be open to inspection and audit by the SCFA
18 or its authorized representative on an annual basis or as is deemed necessary by the SCFA upon
19 reasonable notice to AFV and subject to Section 8(f) of this Contract.

20 AFV shall provide the SCFA monthly financial statements by the last day of the following
21 month, as well as a copy of a full annual financial statement for Shelter activities immediately upon
22 completion thereof, but in no case later than six (6) months following the fiscal year. The monthly and
23 annual financial statements shall contain a status report of all appropriations and expenditures by line
24 item, any emergency expenditure, appropriation changes (increases or decreases or new/supplemental
25 appropriations after original budget was approved) and remaining unspent balances including encumbered
26 amounts by purpose. AFV shall also indicate in the annual financial statement how appropriations and
27 expenditures were allocated to the SCFA.

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1 17. Compensation. SCFA, the County, and AFV agree that the costs for services provided
2 under this Contract for Shelter Services shall be based on the budgeted amount of the actual program
3 costs and expenses. Charges are not to exceed a total amount of \$1,000,000.00 as adjusted annually by
4 the most recently publicized Consumer Price Index (CPI) beginning July 1, 2016 and is to be charged to
5 SCFA annually. Special or unanticipated costs shall be billed at the actual cost to provide such services to
6 SCFA. AFV shall, at request of the SCFA, furnish reports on the number of animals processed through
7 the Shelter on behalf of the SCFA.

8 It is further understood by both AFV and SCFA that the budgeted and appropriated amount
9 for Shelter operations will not be increased during the fiscal year unless mutually agreed upon in writing.
10 “Fiscal Year” as used herein, shall mean from July 1st of one year through June 30th of the following
11 year. Therefore, if line item costs are higher than anticipated, the total budgeted amount shall govern and
12 services may be reduced or eliminated or line item adjustments made after mutual consultation between
13 AFV and SCFA. AFV, at its discretion, may make adjustments between line items provided such
14 change(s) do not change the total budgeted amount. SCFA and AFV agree that if any portion of the
15 budgeted amount of any fiscal year, or portion thereof, is unspent, the unspent amount shall be returned to
16 the SCFA no later than December 31st of the following fiscal year. If mutually agreed upon by the SCFA
17 and AFV, the unspent amount may instead be credited toward the next fiscal year’s budget.

18 Commencing within one month following execution of this Contract, SCFA shall remit to
19 AFV by the 25th day of each January, April, July and October one-fourth (1/4) of the operation of the
20 Shelter as budgeted for that fiscal year.

21 18. Shelter Budget. Each January 15th, AFV shall provide an annual Animal Count Report to
22 the SCFA that reports (i) the total number of animals impounded for the previous calendar year and (ii)
23 the total number of animals impounded by each SCFA member agency for the previous calendar year.
24 The SCFA shall use this report to allocate the next year Shelter operating budget among the SCFA
25 member agencies. Each January 15th AFV shall submit an annual operating budget for the following
26 fiscal year to the SCFA for their approval.

27 19. Spay/Neuter Deposits. Spay/neuter deposits shall be kept in a segregated account by AFV
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1 pursuant to state law and spent for purposes authorized by law within the service area of this Contract.
2 State law (Food and Agriculture Code § 31751) requires any deposit not claimed under subdivision (a) of
3 Food and Agriculture Code § 31751 shall be used only for the following purposes:

- 4 (a) A public education program to prevent overpopulation of cats and dogs.
- 5 (b) A program to spay or neuter cats and dogs.
- 6 (c) A follow-up program to assure that animals adopted from the Shelter are spayed or
7 neutered.
- 8 (d) Spay/neuter voucher program.

9 20. Fees, Charges, Costs and Other Revenues Credited to the SCFA. The SCFA and AFV
10 agree to the following provisions:

11 (a) Redemption of Animals. When an animal guardian comes to the Shelter to obtain
12 the return of his/her animal and upon presentation of sufficient proof of guardianship, the animal
13 guardian shall pay any and all fees and charges due upon redemption all fees, charges and other
14 revenues collected will be deposited by AFV into an AFV bank account as designated by AFV, no
15 later than three (3) days after collection. AFV shall be responsible for clearance and payment of
16 all checks or other non-cash remittances so deposited into AFV's account. AFV shall provide the
17 SCFA a monthly accounting of all such deposits for each calendar month in such detail as
18 reasonably required by the SCFA no later than the last day of the following month. Deposit
19 balances shall be reconciled at the end of each fiscal year ending on June 30 with appropriate
20 adjustments being made on behalf of SCFA or its member agencies.

21 (b) Adoption. If the person adopting an animal resides within the geographical
22 boundaries of the SCFA, all fees, charges and other revenues collected and/or due will, upon
23 payment, be deposited by AFV into an AFV bank account as designated by AFV no later than
24 three (3) days after collection. AFV shall be responsible for clearance and payment of all checks
25 or other non-cash remittances so deposited into AFV's account. AFV shall provide the SCFA a
26 monthly accounting of all such deposits for each calendar month in such detail as reasonably
27 required by the SCFA by no later than the last day of the following month. Deposit balances shall
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1 be reconciled at the end of each fiscal year ending on June 30 with appropriate adjustments being
2 made on behalf of SCFA or its member agencies.

3 (c) Non-City or County Adoption. Persons redeeming an animal at the Shelter or
4 adopting an animal at the Shelter, who does not reside within the geographical boundaries of the
5 SCFA, shall pay any and all fees, charges and other revenues due to AFV. AFV shall provide the
6 SCFA a monthly accounting of all such deposits for each calendar month in such detail as
7 reasonably required by the SCFA by no later than the last day of the following month. Deposit
8 balances shall be reconciled at the end of each fiscal year ending on June 30 with appropriate
9 adjustments being made on behalf of SCFA or its member agencies.

10 (d) Veterinary Care. Costs of veterinary care at the Shelter or at a contract facility
11 shall be charged first to the animal guardian and then only to the SCFA if animal guardianship is
12 unknown, the animal guardian is indigent or SCFA is required by law or judicial order to provide
13 shelter and care. Costs of veterinary care are a budgeted line item in the shelter budget and costs
14 shall be encumbered against that budget line.

15 (e) Amount of Fees. SCFA shall give AFV advanced written notice of any and all fees
16 and charges to be collected on their behalf by AFV for impound, board or adoption of animals,
17 which fees shall equal the amount set by the respective member agencies' City Councils or the
18 County Board of Supervisors.

19 21. SCFA Review. The Shelter shall be under the day-to-day management of AFV, but
20 Shelter operations pertaining to services provided to animals from the SCFA member agencies shall be
21 subject to review and comment by the SCFA.

22 The SCFA may request meetings with AFV, including the Shelter Director, as needed to:

- 23 (a) Recommend policies and procedures pertaining to overall Shelter operations.
24 (b) Provide a review of the financial operations of the Shelter, review the budget,
25 recommend cost control and revenue enhancement measures, and identify financial issues to be
26 addressed.

1 (c) Review shelter operations, as well as the findings and recommendations of all
2 reports provided to the SCFA.

3 (d) Request and receive data and reports from staff as necessary.

4 22. Service Standards and Performance Indicators. It is the intent of the shelter services
5 program to implement the program philosophy defined in this Contract; and in furtherance of this
6 philosophy, the SCFA and AFV shall jointly participate in developing mutually acceptable performance
7 standards.

8 23. Retail Services. The Shelter may house a retail sales area to be operated by AFV that may
9 sell animal food, pet supplies and materials and other items useful to pet guardians. Revenues received
10 from this source will be kept by AFV in a segregated account established by AFV to restock the retail
11 store but may be used for other shelter-related purposes as mutually agreed upon by the SCFA and AFV.
12 Any profits realized from the retail services may, at AFV's discretion, be applied to (i) the
13 operational/maintenance cost of the Shelter, (ii) a public education program, or (iii) a low-cost spay/neuter
14 program.

15 24. Field Services. AFV shall provide equal access to the Shelter to County field services
16 personnel, AFV field services personnel, or any other field service provider contracted by a SCFA
17 member agency to provide such services.

18 25. Prohibition On Collateral Shelter Services. AFV agrees not to provide sheltering services
19 within the jurisdictional boundaries of the SCFA out of any other shelter facility that it operates in
20 addition to the Shelter.

21 26. Out-Of-Area Animals. AFV agrees not to accept into the Shelter any animals that
22 originate from outside the jurisdictional boundaries of the SCFA except that up to 6% of the Shelter's
23 capacity can be used for such purpose provided that written permission is first obtained from SCFA's
24 Program Administrator. All costs associated with the care, housing and treatment of such animals shall
25 be entirely borne by AFV.

26 27. Prohibition on Comingling of SCFA and Non-SCFA Activities. AFV agrees that any
27 contracts that it may have now or in the future with other local governmental agencies, that do not include
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1 SCFA or its member agencies, shall be treated separately and apart from this Contract to operate the
2 Shelter. In the event that AFV, through its contractual relationships with other local governmental
3 agencies, desires to provide any non-SCFA related activities or services at the Shelter it shall first seek
4 and obtain the written consent of SCFA with regard to such proposed activities or services. "Activities or
5 services" is defined to include, but is not limited to, the following: sheltering of animals (except as
6 provided in Section 26), administrative staff overhead associated with contract administration of AFV's
7 contracts with non-SCFA local governmental agencies, telephone calls and all other electronic means of
8 communication, dispatch services, refueling, maintenance and parking of vehicles, storage, field services,
9 licensing, administrative hearings, vaccinations or veterinary services performed for non-SCFA members

10 28. Fundraising/Marketing Activities. AFV may conduct appropriate fund raising activities on
11 Shelter property with prior written notification to and written approval by the Program Administrator of
12 SCFA. Program Administrator shall respond to AFV's request within 10 business days. Said activities
13 shall not interfere with public access or operations of the Shelter.

14 (a) It is the intent of the SCFA and AFV to cooperate and jointly participate in
15 establishing programs for public education, marketing, spay and neutering and exploring no-kill
16 shelter options.

17 29. Use of Classroom. Use of the classroom space provided at the Shelter by members of the
18 public shall be subject to the plan developed by AFV on behalf of the SCFA. AFV shall follow
19 established policies and procedures for classroom usage consistent with the provisions of this Contract.

20 30. Indemnification. AFV shall defend, indemnify and save harmless the SCFA and the
21 County, their officers, agents, authorized volunteers and employees, from any and all claims, demands
22 and liability for damages for personal injury (including but not limited to death) or property damage
23 suffered by reason of any act or omissions of AFV or AFV's employees, agents or contractors, or by
24 reason of any dangerous or defective condition caused or permitted by AFV or by AFV's employees,
25 agents or contractors, which may arise out of or be connected with the performance or failure to perform
26 by AFV of its duties and obligations pursuant to this Contract, excepting such matters as may arise from
27 the sole negligence or willful misconduct of the SCFA or its officers and employees.

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1 Any payment, attorney fee, cost or expense the SCFA incurs or makes to or on behalf of
2 any injured employee under its self-administered workers' compensation program which arises out of or is
3 the result of any such act or omission of AFV, its employees, agents, contractors or subcontractors done
4 or made in the performance of its duties and obligations hereunder, is included as a loss, expense or cost
5 for the purposes of this paragraph.

6 The SCFA shall defend, indemnify and save harmless AFV and the County, their officers,
7 agents, authorized volunteers and employees, from any and all claims, demands and liability for damages
8 for personal injury (including but not limited to death) or property damage suffered by reason of any act
9 or omissions of the SCFA or SCFA's employees, agents or contractors (exclusive of those employees and
10 volunteers of AFV under this Contract), or by reason of any dangerous or defective condition caused or
11 permitted by the SCFA or by SCFA's employees, agents or contractors (exclusive of those employees and
12 volunteers of AFV under this Contract), which may arise out of or be connected with the performance or
13 failure to perform by the SCFA of its duties and obligations pursuant to this Contract, excepting such
14 matters as may arise from the sole negligence or willful misconduct of AFV or its officers and employees.

15 Any payment, attorney fee, cost or expense AFV incurs or makes to or on behalf of any
16 injured employee under its self-administered workers' compensation program which arises out of or is the
17 result of any such act or omission of the SCFA, its employees, agents, contractors or subcontractors
18 (exclusive of those employees and volunteers of AFV under this Contract) done or made in the
19 performance of its duties and obligations hereunder, is included as a loss, expense or cost for the purposes
20 of this paragraph.

21 The provisions of this Section 29 shall survive the expiration or early termination of this
22 Contract.

23 31. Insurance. AFV shall secure public liability and property damage insurance or maintain
24 self-insurance reserves as shall protect it from claims for damages for personal injury, including
25 accidental death, as well as from claims for property damage which may arise from operations under this
26 Contract. Said insurance shall be maintained in full force and effect during the term of this Contract or
27 renewals or extensions thereof. Such policy of insurance or self-insurance shall be for not less than
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1 \$1,000,000 per occurrence, \$2,000,000 aggregate for liability purposes. Additionally, AFV shall maintain
2 a policy of insurance or self-insurance shall be for not less than \$1,000,000 combined single limit for
3 injuries, including accidental death, to any person and property damage arising for automobile usage.
4 Any policy of insurance shall be placed with a company authorized to do business in the State of
5 California. Copies of all policies or certificates of insurance or self-insurance shall be filed with the
6 SCFA and shall include the SCFA as an additional insured. Said policies or certificates shall provide for
7 thirty (30) days' written notice to the SCFA prior to reduction in coverage or cancellation.

8 The amounts of such insurance shall not be deemed a limitation of AFV's agreement to
9 save and hold the SCFA harmless and if the SCFA becomes liable for an amount in excess of the
10 insurance, AFV will save and hold the SCFA harmless from the whole thereof.

11 The SCFA reserves the right to request AFV to increase the amounts of insurance coverage
12 described hereinabove, and to require any additional riders and provisions in said policies or certificates
13 as shall be considered necessary by the Risk Manager or Cities Attorney's , consistent with the terms and
14 conditions of this Contract. The SCFA shall give notice of such request no later than January 15 of any
15 year, and AFV shall comply with said increase or other change as of July 1 of the next fiscal year.
16 Nothing herein prohibits AFV from including the additional costs, if any, necessitated by the SCFA's
17 request in the estimated budget to be submitted by January 15th following the notice from the SCFA.

18 32. Workers' Compensation. AFV shall provide insurance or be self-insured as required by
19 California law to protect said AFV from claims under the Workers' Compensation Act. Upon execution
20 of this Contract, AFV shall file with the SCFA either a certificate of insurance showing that such
21 insurance is in effect or that AFV is self-insured for such coverage. Any certificate of insurance shall
22 state that the SCFA will be given ten (10) days prior written notice before modification or cancellation
23 thereof.

24 33. Independent Contractor. AFV and the officers, employees and agents of AFV, in the
25 performance of this Contract, shall act in an independent capacity and not as officers or employees of the
26 SCFA. AFV acknowledges and agrees that the SCFA has no obligation to pay or withhold state or federal
27
28

1 taxes or to provide workers' compensation or unemployment insurance. AFV as an independent
2 contractor shall be responsible for any and all taxes that apply to AFV as an employer.

3 34. No Third Party Beneficiary. This Contract among SCFA, the County, and AFV is
4 intended for the mutual benefit of the three signing parties only. No rights are created under this Contract
5 in favor of any third party or any party who is not a direct signatory to this Contract.

6 35. Nondiscrimination. During the performance of this Contract, AFV agrees that it shall not
7 discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical
8 disability, mental disability, medical condition including the medical condition of Acquired Immune
9 Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex or sexual orientation in
10 the selection and retention of employees and subcontractors and the procurement of materials and
11 equipment, except as provided in Section 12940 of the Government Code of the State of California.

12 Further, AFV agrees to conform to the requirements of the Americans with Disabilities Act
13 in the performance of this Contract.

14 36. Tax-Exempt Status of Bonds. The SCFA and AFV agree to the following provisions:

15 (a) It is the intention of SCFA and AFV that interest on the Bonds shall be and remain
16 excludable from gross income for federal income tax purposes, and to that end the covenants and
17 agreements of SCFA and AFV in this Section are for the benefit of the Trustee on behalf of and
18 for each and every holder of the Bonds. AFV covenants and agrees that it will take or cause to be
19 taken all such actions as are necessary within its power to be taken so that interest on the Bonds
20 shall be and remain excludable from gross income for federal income tax purposes, and more
21 specifically agrees as hereinafter provided.

22 (b) AFV covenants and agrees that it will maintain its status as an organization
23 described in section 501(c)(3) of the Internal Revenue Code, and its exemption from federal
24 income taxation under section 501(a) of the Code; and SCFA covenants and agrees that it will take
25 no action that will interfere with AFV's tax-exempt status.

1 (c) AFV covenants that all property acquired and constructed with the proceeds of the
2 Bonds will be operated by AFV, in furtherance of its Internal Revenue Code 501(c)(3) exempt
3 purposes or by a governmental unit.

4 (d) AFV covenants that no portion of the Shelter will be used to provide any airplane,
5 skybox or other private luxury box, health club facility, any facility primarily used for gambling or
6 store the principal business of which is the sale of alcoholic beverages for consumption off
7 premises, all within the meaning of section 147(e) of the Internal Revenue Code.

8 (e) AFV covenants that no part in excess of six percent (6%) of the portion of the
9 Shelter will be used for (i) activities constituting an unrelated trade or business, determined by
10 applying section 513(a) of the Internal Revenue Code, or (ii) activities constituting any trade or
11 business of an entity other than an organization described in Internal Revenue 501(c)(3) or a
12 governmental unit, if such use adversely affects the exclusion from gross income for federal
13 income tax purposes of interest payable with respect to the Bonds.

14 (f) AFV covenants to comply with the provisions of section 145(b) of the Code so as
15 to assure that the aggregate amount of tax-exempt bonds allocated to AFV does not exceed the
16 limits specified in that section.

17 (g) AFV further agrees that it shall not discriminate on the basis of race, creed, color,
18 sex or national origin in the lease, use or occupancy of the Shelter or in connection with the
19 employment or application for employment of persons for the operation and management of the
20 Shelter.

21 (h) AFV further warrants and covenants that it has not executed and will not execute
22 any other agreement, or any amendment or supplement to any other agreement, with provisions
23 contradictory to, or in opposition to, the provisions hereof, of the Indenture and of the Lease
24 Agreement, and that in any event, the requirements of this Agreement, the Lease Agreement and
25 the Indenture are paramount and controlling as to the rights and obligations herein set forth and
26 supersede any other requirements in conflict herewith and therewith.

1 (i) So long as the bonds are outstanding, except as otherwise permitted by this
2 Agreement, the Shelter shall be used by AFV only for the purposes of performing services relating
3 to its status as an organization described in Section 501(c)(3) of the code and consistent with the
4 permissible scope of AFV's authority and will not be used in any unrelated trade or business of
5 AFV or in the trade or business of any person or entity other than AFV.

6 (j) AFV occupies the Shelter and intends to operate the Shelter or cause the Shelter to
7 be operated as a "project" within the meaning of the Act, until the date on which all of the Bonds
8 have been fully paid.

9 (k) AFV will not take any action which would cause the interest on the Bonds to
10 become includable in gross income of the recipient for federal income tax purposes under the
11 Code (including without limitation, intentional acts under Tres. Reg. Section 1.148-2(c) or
12 deliberate action within the meaning of Tres. Reg. Section 1.141-2(d)), and AFV will take and will
13 cause its officers, employees and agents to take all affirmative actions legally within its power
14 necessary to ensure that the interest payable on the Bonds does not become includable in gross
15 income of the recipient for federal income tax purposes under the Code.

16 (l) AFV will aid and assist SCFA in connection with preparing and submitting to the
17 Internal Revenue Service a Form 8038 (or other applicable information reporting statement) at the
18 time and in the form required by the Code.

19 (m) The Shelter is a property of the character subject to the allowance for depreciation
20 under Section 167 of the Code.

21 37. Venue. Any action at law or in equity brought by either of the parties hereto for the
22 purpose of enforcing a right or rights provided for by this Contract shall be tried in a court of competent
23 jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of
24 law providing for a change of venue in such proceedings to any other county. In the event either party
25 hereto shall bring suit to enforce any term of this Contract to recover any damages for and on account of
26 the breach of any term or condition of this Contract, it is mutually agreed that the prevailing party in such
27 action shall recover all costs thereof including reasonable attorneys' fees to be set by the court in such
28

1 action.

2 38. Assignment. It is mutually understood and agreed that this Contract shall be binding upon
3 AFV and its successors. Neither this Contract nor any part thereof nor any moneys due or to become due
4 hereunder may be assigned by AFV without the prior written consent and approval of the SCFA and the
5 County. SCFA and AFV hereby agree to the full performance of the covenants contained herein.

6 39. Notices. All notices, requests, consents, approvals or other communications between the
7 parties in connection with this Contract shall be deemed given if addressed to the recipient party at its last
8 known address and, with postage prepaid, deposited in the United States mail. The current addresses and
9 phone numbers of the parties are as follows:

10 ///

11 SCFA

12 SCFA
13 Program Administrator
14 4080 Lemon Street, 4th Floor
15 Riverside, CA 90501
16 (951) 955-1100

11 AFV

12 Animal Friends of the Valleys
13 Director
14 33751 Mission Trail
15 Wildomar, CA 92595
16 (951) 674-0618

15 COUNTY

16 County Executive Office
17 County Administrative Center
18 4080 Lemon Street, 4th Floor
19 Riverside, CA 92501
20 (951) 955-1100

15 AFV ATTORNEY

16 John V. Giardinelli
17 The Giardinelli Law Group APC
18 31594 Railroad Canyon Road
19 Canyon Lake, CA 92587
20 (951) 244-1856

21 Either party, upon notice to the other, may from time to time change its mailing address. Use of e-mail
22 communication between the parties may be used in addition to, but not in replacement of, the normal
23 mailing requirements identified above.

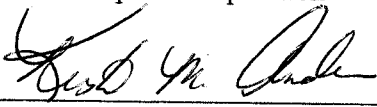
24 40. Amendments. Any amendments, including any supplements, to this Contract shall be in
25 writing and shall have the approval of the Board of Directors of the SCFA and AFV and the Board of
26 Supervisors of the County. This is the entire agreement for shelter services and supersedes any prior
27 written or oral agreement inconsistent herewith. Any amendment will be presented to the Executive
28 Management Committee prior to SCFA approval.

1 IN WITNESS WHEREOF the parties hereto have caused this Contract to be executed by their
2 authorized officers on the day and year first above written.

3
4 SOUTHWEST COMMUNITIES FINANCING
AUTHORITY , a Joint Powers Authority

ANIMAL FRIENDS OF THE VALLEYS, a
California non-profit corporation

5
6 By: _____
Chairman, Board of Directors

By: 
President, Board of Directors

7 Date: _____

Date: 5/13/15

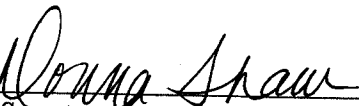
8 COUNTY OF RIVERSIDE

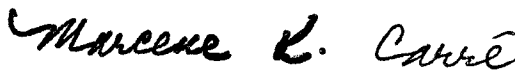
9
10 By: _____

11 Date: _____

12
13 ATTEST:

ATTEST:

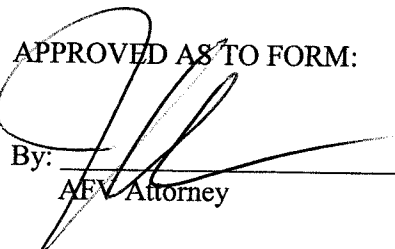
14
15 By: 
Secretary

By: 
Secretary

16 APPROVED AS TO FORM:

APPROVED AS TO FORM:

17
18 By: 
SCFA Attorney

By: 
AFV Attorney

1 IN WITNESS WHEREOF the parties hereto have caused this Contract to be executed by their
2 authorized officers on the day and year first above written.

3
4 SOUTHWEST COMMUNITIES FINANCING
AUTHORITY , a Joint Powers Authority

ANIMAL FRIENDS OF THE VALLEYS, a
California non-profit corporation

5
6 By: 
Chairman, Board of Directors

By: _____
President, Board of Directors

7 Date: _____

Date: _____

8 COUNTY OF RIVERSIDE

9
10 By: 
MARION ASHLEY

11 Date: JUN 16 2015

12
13 ATTEST:

ATTEST:

14 By: 
15 Secretary

By: _____
Secretary

16 APPROVED AS TO FORM:

APPROVED AS TO FORM:

17
18 By: 
19 SCFA Attorney

By: _____
AFV Attorney

20 ATTEST:

21 KECIA HARPER-JHEM, Clerk

22 By: 
DEPUTY