

Committee of the Whole (1) Report

DATE: Tuesday, June 8, 2021

WARD(S): ALL

TITLE: ANIMAL SERVICES CONTRACT – TOWNSHIP OF KING

FROM:

Gus Michaels, Acting Deputy City Manager, Community Services

ACTION: DECISION

Purpose

In a mutually beneficial partnership for both municipalities, the City of Vaughan has been providing animal control and sheltering services to the Township of King since 2011 through a multi-year service level agreement which expired on May 1, 2021.

Report Highlights

- The current contract for the provision of animal control and sheltering services to the Township of King has expired and is due for renewal.
- The total value of the proposed new contract with the Township of King is over \$1.1M over a 5-year term.
- Vaughan Animal Services has the resources required to continue to deliver these services; no additional resources are required.

Recommendations

1. That an Animal Services Agreement with the Township of King be renewed for a further five (5) year period, retroactively beginning May 1, 2021; and
2. That the Mayor and the City Clerk be authorized to sign all necessary documents, as soon as practicable, for continuance of the Animal Services Agreement with the Township of King.

Background

Care and control of animals is a unique area of public service that contributes to current and future sustainability of the quality of life within a municipality. Currently Vaughan Animal Services, a unit within the By-law & Compliance, Licensing & Permit Services (BCLPS) department, delivers animal services including, but not limited to, public education, outreach, awareness, by-law enforcement and shelter services within the City of Vaughan and, through service level agreements, provides contracted services to the Township of King, as well as the City of Richmond Hill. Service level agreements provide a much-needed service to smaller communities who otherwise may not have the capacity to deliver such services, while providing the City of Vaughan an avenue of revenue generation to off-set costs associated with the delivery of animal services as a whole.

The Township of King has been satisfied with Vaughan Animal Services performance and has confirmed interest in renewing the service level agreement with the City of Vaughan and in maintaining the same level of service as provided during the previous contract period.

In continuing to provide animal services to the Township of King, the City's requirement was to ensure that revenue generated from the SLA renewal continued to appropriately recover all marginal costs of service delivery and assist in off-setting fixed labour and other costs of operations. As such, revenues were determined on the basis of an allocation of direct labour costs and a percentage of shelter costs based on the average number of animals coming into the shelter from the Township of King.

Council's approval is required to proceed with the recommendations specified above for the City of Vaughan to enter in to a service level agreement with the Township of King for Vaughan Animal Services to continue to provide animal services to the Township of King after May 1, 2021 and to authorize the Mayor and City Clerk to sign the necessary agreements and documents related to the above noted recommendations.

Previous Reports/Authority

[Item 19, Report No. 21, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on May 17, 2016.](#)

Analysis and Options

As the revenue generated through the existing service level agreement with the Township of King assists in off-setting Vaughan Animal Services' fixed operating costs and provides a much needed service to the Township of King, staff believe that continuing to provide such services through the renewal of the service level agreement is of mutual benefit to both municipalities.

Financial Impact

The proposed five (5) year renewal service level agreement is projected to generate approximately \$220,000 in annual revenue beginning in 2021, with an annual 2.5% increase thereafter, for a potential revenue gain of approximately \$1.1 million over five years. The revenue generated through this agreement will fully recover Vaughan's marginal costs of providing animal services to the Township of King as well as assist in off-setting fixed labour and other costs of operations.

The projected \$220,000 in annual revenue represents an increase of approximately \$4,000 from the revenue generated in 2020. The contract will continue to deliver a net benefit to the City.

The costs to deliver services under this agreement and the associated revenues from the service level are accounted for within the current 2021 operating budget.

Broader Regional Impacts/Considerations

This report and the decision of Vaughan City Council will be communicated to the Township of King accordingly.

Conclusion

The current Animal Services Agreement with the Township of King expired on May 1, 2021. Services continue to be provided, on a provisional basis, until Council provides further direction.

Through discussions, the City of Vaughan and the Township of King have agreed to a five (5) year renewal.

To continue service delivery of animal services to the Township of King beyond the provisional period, City staff require the approval of City Council to authorize the Mayor & the City Clerk to sign the necessary agreements.

For more information, please contact Susan Kelly or Gus Michaels

Attachments

None

Prepared by

Susan Kelly, Manager, Animal Services, ext. 8952

Approved by



Gus Michaels,
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Community Services and
Director & Chief Licensing Officer,
By-law & Compliance,
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Reviewed by



Jim Harnum, City Manager