



## CITY OF GARDEN GROVE

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(714) 741-5100

March 28, 2016

Orange County Board of Supervisors  
333 W. Santa Ana Blvd.  
Santa Ana, CA 92701

Bao Nguyen  
Mayor

Steven R. Jones  
Mayor Pro Tem

Christopher V. Phan  
Council Member

Phat Bui  
Council Member

Kris Beard  
Council Member

Dear Supervisors:

At the Garden Grove City Council meeting on March 22, our staff provided an update to the City Council regarding the City's existing contract with the County of Orange for animal care services and the County's current efforts to move forward with a design-build contract to construct a new animal shelter at the former Tustin Marine Base. Accordingly, the City Council was advised that the County is requiring its partnering cities to commit to both a capital contribution and a 10-year service agreement by April 30, 2016. Following that discussion, the City Council directed the City Manager to forward the following concerns and questions to the Board of Supervisors.

As the City of Garden Grove is considering the future of animal care services, the City Council is concerned about rising program costs, the potential \$35 million cost of building a new animal shelter and the need for enhanced communication with the public. Since FY 2011-12, Garden Grove's costs have increased 79% from \$729,000 to a projected \$1,307,631 for FY 2015-16. Additionally, the City is being asked to pay 13.8% of the new animal shelter cost, adding an annual shelter payment of \$430,828 to current service costs. For FY 2016-17, Garden Grove's estimated program cost, including the new shelter payment is \$1,738,459. This is a 138% cost increase over a six-year period. Moreover, if any cities opt out of the program, we understand that costs will be reallocated based on a new percentage, potentially increasing costs further.

Although the County has provided a justification for the increase in service costs, the City's revenues have not increased accordingly and the City is struggling with a structural deficit. Therefore, the City of Garden Grove would like to understand the strategies to control the costs of animal care and procedures that would assist the City with managing future costs. For example, can the County provide adequate animal care with a less expensive shelter and can the City be assured it will be allowed to participate in the new shelter design? Also, the City of Garden Grove would benefit from data and supporting cost calculations for the uncollectable fee revenue planned to be written-off by the County and billed to the City of Garden Grove. In order for the City to manage its limited resources, the County would need to provide accurate

calculations for the uncollectable fee revenue along with supporting justification indicating Garden Grove is responsible for the debt.

The City Council also expressed concern that Orange County Animal Care could provide better communication with the residents of Garden Grove. With a community as diverse as Garden Grove, it is essential that communication and public outreach by Orange County Animal Care be conducted in English, Vietnamese, and Spanish. A more effective communication program could assist Orange County Animal Care in increasing revenues through licensing compliance and decreasing the need for field and shelter services.

Although the City of Garden Grove has generally been pleased with the services provided by the County, the steep increase in costs over a short period of time is of great concern. As the City continues to deliberate this issue, any information that offers long-term cost containment assurances will be helpful to the City Council and the staff.

Should you have any questions, please contact me at (714) 741-5100 or [sstiles@ci.garden-grove.ca.us](mailto:sstiles@ci.garden-grove.ca.us). Maria Stipe, our Deputy City Manager, is leading our efforts on this project. The Orange County Animal Care staff can contact her directly at (714) 741-5106 with information that would be helpful to us.

Sincerely,



Scott C. Stiles  
City Manager

Cc: Garden Grove City Council Members  
Frank Kim, County Executive Officer  
Steve Franks, Director, Orange County Community Resources