



AGENDA NO: 6.h

MEETING DATE: November 12, 2025

Staff Report

TO: Honorable Mayor and City Council

DATE: November 5, 2025

FROM: Amy Watkins, Chief of Police

SUBJECT: Approval of Contract with San Luis Obispo County for Animal Care and Control Services for FY 2025/26 through FY 2029/30 and adoption of Resolution No. 58-25 Authorizing the Related Budget Amendment

RECOMMENDED ACTION

Authorize the City Manager to execute a five-year contract with the County of San Luis Obispo, for the continued provision of Animal Care and Control Services from July 1, 2025 to June 30, 2030 and adopt Resolution No. 58-25 amending the Operating Budget to the full contract amount for FY 2025/26.

ALTERNATIVES

None proposed.

FISCAL IMPACT

The contract fee for Fiscal Year (FY) 2025-26 is \$80,442. A placeholder amount was budgeted for this year and Resolution No. 58-25 (Attachment 2) will amend the adopted budget to the full contract amount. The remaining four years on the proposed contract will be based on the service fee methodology as outlined in this report.

BACKGROUND/DISCUSSION

State law requires the city to provide a certain level of animal care and control services within its borders. For many years, the City of Morro Bay (along with all cities in the County) have contracted with the County of San Luis Obispo ("County") for the provision of Animal Care and Control Services. This is the only animal control and care service available in the County, and all other cities in the County contract with the County for this service. Services provided pursuant to the proposed contract include: emergency and non-emergency response of Animal Services Officers for injured and stray animals; investigative services for animal bites, abuse and neglect; sheltering and quarantine services; dog licensing; animal adoption; and other services as required either by State law or the Morro Bay Municipal Code. The Police Department administers the contract on behalf of the City.

The current contract with the County expired on June 30, 2025, with the County continuing to provide the same services to the City, under the previous agreement and terms, up to this point in the new fiscal year.

Prepared By: <u>AW</u>	Dept Review: _____
City Manager Review: <u>AL</u>	City Attorney Review: <u>BS</u>

Contract Provisions and Costs Methodology

Since 2010, a service-based methodology has been utilized to assess the service fees associated with the fulfillment of the animal care and control services provided by the County to each of the incorporated cities in the County. This methodology assesses fees based on a city's actual use of services and generation of revenue on an annual basis. By using a direct and measurable cost allocation, the contract fees derived reflect the true cost of service, resulting in an equitable fee structure with those cities having the highest service rates paying proportionately more than those with lower service rates. Dr. Eric Anderson presented an overview of the services provided and cost allocation methodology at the April 8, 2025 Council Meeting. A link to his presentation can be found [here](#).

The proposed contract provides for the provision of Animal Care and Control services to the City for five years, from July 1, 2025, through June 30, 2030. Under the terms of the proposed agreement, the City will receive a comprehensive array of animal services, which will include the following:

Animal Sheltering and Management

- Intake and sheltering of stray, owner surrendered, confiscated, or quarantined animals;
- Reunification of stray animals with their owners or adoption into new homes;
- Medical care and humane euthanasia of sheltered animals;
- Receipt and processing of Lost and Found Reports;
- Quarantine and observation of domestic animals which have bitten a person;
- Vaccination and microchipping of sheltered as well as privately owned animals; and
- Licensing of all dogs over 4 months of age. Issuance of Assistance Animal tags.

Field Services

- Impound of dogs running at-large;
- Response to reports of aggressive animals running at large. Capture and management of animals posing a threat to public safety;
- Investigation of animal related nuisances. Mitigation of nuisances through public education, administrative actions, or criminal prosecution;
- Response and investigation of allegations related to abuse or neglectful treatment of an animal;
- Investigation of animal bite reports. Establishment of quarantine for biting animals;
- Regulation and permitting animal related businesses and breeders;
- Removal of dead domestic animals from public roadways; and
- Assist other law enforcement and public safety agencies responding to cases in which animals are involved.

The contract includes a provision for the parties to collaborate and address specific issues as needed during the contract term. The contract also provides that either party may terminate the contract at any time by giving the other party 30 days written notice. Staff proposes that the Council approve the attached contract which would continue those services through FY 2029/30.

CONCLUSION

Approval of this contract would be an extension of the existing contract between the City of Morro Bay and the County of San Luis Obispo Animal Control Services through FY 2025/30.

ATTACHMENTS

1. Contract for Animal Care and Control Services with County of San Luis Obispo
2. Resolution No. 58-25 Budget Amendment Resolution Animal Services Contract