



Memorandum

TO: MAYOR LICCARDO
SUBJECT: BUDGET DOCUMENT

FROM: Councilmember Matt Mahan
DATE: May 23, 2022

Approved

Matt Mahan

Date 5/25/22

RECOMMENDATION

That the following proposal be enacted.

Proposal

Program/Project Title: Animal Care Shelter Capital Needs

Amount of City Funding Required: \$30,000 One-time (This year only); \$170,000 Ongoing (This year and future years)

This change is:

One-time Ongoing

Cost Estimate Number (if applicable): CE-FY22-23:063

Proposal Description, including the reason for the need and anticipated outcomes (Please describe how the proposal will affect services for San José residents, community groups, businesses, etc.):

Replacement costs for high-use equipment in San Jose Animal Shelter need to be added to the budget forecast as they appear to be missing. Washers and dryers are used daily, and yet there appears to be no plan to replace equipment into the future when we know that equipment will reach end of life. Leaking and broken pipes leave animals standing in water. Repairs and problems need to be anticipated and enough budget reserved to repair problems quickly so animals are not subjected to inhumane conditions.

Such needs include but are not limited to:

- Repair or replacement of damaged and non-functioning washers and dryers is estimated at \$50,000 in the first year and \$20,000 ongoing. While the repair logs for the machines do not indicate an immediate need for replacement, recent budget history shows transfers from the General Fund to

cover annual breakdowns--parts and replacements. It would be prudent to have annual funding for replacement given the critical importance of these machines to the daily operations of the shelter.

- Capital plumbing repairs are estimated at \$50,000 per year. In addition to this year's budget, this expense should be budgeted as an annual expense rather than ad hoc transfers from the General Fund.
- Kennel repairs are estimated at \$100,000 per year and should also be budgeted as an annual expense reflecting historic unbudgeted annual expenses, as well as included in this year's budget.

Forecasting:

Our current Animal Control Officer vehicles are near the end of their life cycle. Ideally they would be replaced at about 100,000 miles. Many of our fleet are well over 100,000 miles, and a few are over 200,000 miles. The trucks break down often, and sometimes when they get picked up from being repaired, they break down almost immediately again from some different problem. Those who drive trucks with kennels on them immediately take a picked-up animal to the shelter to avoid breaking down with an animal in the kennel, putting the animal at risk. That is not how things should work, so this adds extra mileage on the vehicles, and is not efficient use of staff time. There are approximately 10 trucks in the fleet, give or take, and about half are in the shop right now.

The current budget does not seem to show scheduled replacement costs. Replacement for each vehicle is estimated at **\$160,000 each**. This is a higher cost than in the past due to the full custom build/complexity and the current market for global manufacturing. Even if we ordered vehicles today, they may not be available for delivery until 2024 due to supply chain disruptions and labor shortages. Ordering now would ensure Animal Services has the vehicles needed to continue to provide public safety through services to stray and deceased animals.

Funding Source

Essential Services Reserve:

Other (Please specify program/project/fund): F001 GENERAL FUND

Department or Organization Contact

Please list the contact information for the individual that certified cost estimates contained within your recommendation:

Name and Title: Jim Shannon, Director; Matt Cano, Director

Department or Organization: Budget Office; Public Works

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