Agenda – Executive Policy Committee – October 20, 2021

Report – Standing Policy Committee on Protection, Community Services and Parks – October 6, 2021

Item No. 4 Service Agreement between The City of Winnipeg and The Winnipeg Humane Society

STANDING COMMITTEE RECOMMENDATION:

On October 6, 2021, the Standing Policy Committee on Protection, Community Services and Parks concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That an increase of $170,000 to the Winnipeg Humane Society, funded from the Agency's accumulated surplus and therefore not requiring increased mill rate support, to expand the subsidized spay and neuter program from $70,000 to $240,000, be approved.

2. That, subject to Recommendation 1, the Winnipeg Humane Society ("WHS") be approved to provide general animal services to the City at $582,273, plus the provision of a subsidized spay and neuter program at the new level of $240,000, with total annual payments to the WHS in the amount of $822,273 for the period of January 1, 2022 to December 31, 2024, and a further 3-year option to renew on the same terms and conditions.

3. That the City enter into, execute and deliver a Service Agreement with The Winnipeg Humane Society and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

4. That authority be delegated to the General Manager of the Animal Services Agency to negotiate and approve the terms and conditions of the Service Agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

5. That the Proper Officers of the City of Winnipeg be authorized to do all things necessary to implement the intent of the foregoing.

Agenda – Executive Policy Committee – October 20, 2021

Report – Standing Policy Committee on Protection, Community Services and Parks – October 6, 2021

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On October 6, 2021, the Standing Policy Committee on Protection, Community Services and Parks concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Service Agreement between The City of Winnipeg and The Winnipeg Humane Society

Critical Path: Standing Policy Committee on Protection, Community Services and Parks – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
L. Gordon	C. Fernandes	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

Due to large pet populations, The City of Winnipeg has a number of animal-related services in place. This includes the City's Animal Services Agency as the facility to take stray dogs, and The Winnipeg Humane Society ("WHS"), through a Service Agreement, as the place to take stray cats. Additional services are also available through the WHS as part of a Service Agreement, including advanced veterinary care and a spay/neuter programming. The current Agreement with the WHS for the provision of these services expires on December 31, 2021 and the Public Service is seeking approval to enter into another Service Agreement.

RECOMMENDATIONS

1. That an increase of $170,000 to the Winnipeg Humane Society, funded from the Agency's accumulated surplus and therefore not requiring increased mill rate support, to expand the subsidized spay and neuter program from $70,000 to $240,000, be approved.

2. That, subject to Recommendation 1, the Winnipeg Humane Society ("WHS") be approved to provide general animal services to the City at $582,273, plus the provision of a subsidized spay and neuter program at the new level of $240,000, with total annual payments to the WHS in the amount of $822,273 for the period of January 1, 2022 to December 31, 2024, and a further 3-year option to renew on the same terms and conditions.

3. That the City enter into, execute and deliver a Service Agreement with The Winnipeg Humane Society and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

4. That authority be delegated to the General Manager of the Animal Services Agency to negotiate and approve the terms and conditions of the Service Agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

5. That the proper officers of the City of Winnipeg be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Council approval is required for the City to enter into a Service Agreement with the WHS.

IMPLICATIONS OF THE RECOMMENDATIONS

The 2021 – 2023 Selection Report and 2023 Adopted budget for the Animal Services Agency includes funding for the Service Agreement by way of an annual grant in the amount of $652,273. The additional $170,000 required under the Agreement will be funded from the Agency's accumulated surplus. The proposed Service Agreement is for the period of January 1, 2022 to December 31, 2024, with a further 3-year option to renew on the same terms and conditions. The agreement may be terminated by either party without cause upon providing 90 days' notice in writing.

HISTORY/DISCUSSION

The Winnipeg Humane Society ("WHS") has been helping dogs and cats in our community since 1894. The organization accepts owner surrendered and stray dogs and cats, primarily from Winnipeg residents. The WHS is the only animal welfare organization in Winnipeg that operates an internal veterinary clinic.

Animal Services handles an average of 10,000 incidents per year involving animals and people. Animal Services accepts stray dogs, dogs involved in attacks, livestock, and exotic animals. The Animal Services facility was built in 1994 without areas to care for cats.

Animal Services operates innovative adoption, volunteer, education, Doggie Date, and Northern Outreach programs. A team of Animal Services Officers serve the residents of Winnipeg to help resolve neighbourhood disputes and incidents involving animals. This includes 24/7 emergency response to house fires and Winnipeg Police Service incidents involving animals. Pet license revenues are the primary source of funding for Animal Services.

The City of Winnipeg currently has a Service Agreement with the WHS, which expires December 31, 2021. The General Manager of Animal Services is the Contract Administrator for the agreement.

The recommended Agreement with the WHS for the period of January 1, 2022 to December 31, 2024, with a further 3-year option to renew on the same terms and conditions, includes the following key components:

Fees
Fee payments to the WHS:

- Annual fee amount - $582,273

An additional amount is allocated for the Spay/Neuter Assistance Program (SNAP) at the WHS. This is an income-based program to help spay/neuter pets.

- Cats - $120,000- Increase from $70,000 to $120,000; to be funded from the Agency's accumulated surplus
- Dogs - $120,000 - New; to be funded from the Agency's accumulated surplus

Major Agreement Components

- Housing and care of stray cats
- Veterinary care of stray dogs and cats with medical conditions
- Low income spay/neuter programming for cats and dogs (SNAP, more details below)

Stray Cat Kenneling
Animal Services does not house cats at its facility. Historically, the WHS has been used as the primary facility to house stray cats, and this would continue under the new Service Agreement.

Veterinary Care
Animal Services does not operate a veterinary clinic. The WHS provides medical care at its in-house veterinary clinic and at a private veterinary clinic for stray sick/injured dogs and cats.

Spay/Neuter Assistance Program (SNAP)
The SNAP program is a collaborative effort between the City, the WHS, and the pet owner. The program is designed to help Winnipeg residents living on low income get their pets fixed. Animal Services also provides a complimentary 1-year pet license with each completed spay/neuter surgery.

Historically, the City has provided $70,000 a year for the spay/neuter of cats through the SNAP program. It is proposed that an additional $170,000 a year be provided for the spay/neuter of cats and dogs. Funding will come from the existing Animal Services' accumulated surplus. No additional mill rate support is required.

The Service Agreement further accounts for necessary insurance and reporting requirements, and provides that either the City or The WHS may terminate the agreement for any or no reason upon providing 90 days' notice.

FINANCIAL IMPACT

Financial Impact Statement

Date: August 20, 2021

Project Name:

Service Agreement between the City of Winnipeg and the Winnipeg Humane Society

First Year of Program **2022**

	2022	2023	2024	2025	2026
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 822,273	$ 822,273	$ 822,273	$ 822,273	$ 822,273
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 822,273	$ 822,273	$ 822,273	$ 822,273	$ 822,273
Less: Existing Budget Amounts	822,273	822,273	822,273	822,273	822,273
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Direct costs represent the grant to the Winnipeg Humane Society for the period January 1, 2022 to December 31, 2024 and a further three-year option on the same terms. The 2022-2023 Approved Budget and Animal Services Selection Report includes annual grants to the Winnipeg Humane Society of $652,273. The increase to the grant of $170,000 will be funded from the Agency's accumulated surplus.

Original signed by K. Lemoine

Kelly Lemoine, CPA, CA
Manager, Finance and Administrative Services
Community Services Department

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services Department (as to legal issues)
- The Winnipeg Humane Society

OURWINNIPEG POLICY ALIGNMENT

The Service Agreement with the WHS aligns with the Quality of Life 03-2 Vitality Direction of Our Winnipeg by maintaining the health and safety of neighborhoods.

The Enabling Strategies are to provide animal care facilities coupled with spay/neuter efforts to help control over-population and to work with existing community animal welfare organizations to develop a shared vision and expand educational outreach efforts.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

n/a

SUBMITTED BY

Department: Community Services
Division: Animal Services
Prepared by: Leland Gordon
Date: August 20, 2021
File No: CMS-2021-9