

AGENDA



Thursday, October 18, 2007

**Health and Human Services
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 7

Subject: Approve an ordinance authorizing acceptance of \$459,611 in additional funds from TRAVIS COUNTY; and amending the Fiscal Year 2007-2008 Health and Human Services Department Operating Budget Special Revenue Fund of Ordinance No. 20070910-003 to appropriate \$459,611 for a total of \$2,633,397 to provide public health and animal services to Travis County, and restoring two full-time equivalent positions for a total of 30.

Amount and Source of Funding: Funding is available from Travis County. The initial term of the agreement is October 1, 2007 through September 30, 2008.

Fiscal Note: A fiscal note is attached.

For More Information: David Lurie, HHSD Director, 972-5010; Melanie Miller, Chief Administrative Officer, 972-5045; Linda Terry, Agenda Coordinator, 972-5023.

Boards and Commission Action: Reviewed by the Public Health and Human Services Subcommittee. Related to item #6.

Prior Council Action: Fiscal Year 2007-2008 Operating Budget approved on September 10, 2007.

Based on the cost model contained in Section 13.3.1 of the City of Austin and Travis County Interlocal Agreement (attached as back-up to a related Recommendation for Council Action on this Council Agenda), the additional amount due from Travis County to the City for the Fiscal Year 2008 is \$459,611.

The determination of costs for public health services under this Agreement is based on a cost model. For most public health services, the costs to the County are based on a Travis County population-based percentage, except for the Information, Referral & Permitting and Health & Safety Code Compliance areas of the Environmental and Consumer Health Unit (ECHU). For ECHU costs, the fixed price is calculated using a combination of the Travis County population-based percentage and a cost allocation method based on the number of County food establishments. For Animal Services costs, the annual fixed price uses a 5-year rolling average based on a percent of activities attributed to the County for (1) Animal Control Services, and (2) the percent of animals accepted at the Shelter including animal adoption and rescue. Spay/neuter sterilization services at County sites are separately considered and the City will credit \$10,000 per Agreement term for coyote abatement services that are provided by the County's Predator Control Program.

Additional financial terms include:

Total due from county for FY08: \$2,633,397.

- Annual Fixed Price that is due to the City from the County is based on a blended financial cost model. Specific model calculation is included in respective Work Statements (see Attachments A and B).
- A financial year-end true-up procedure is stated in Section 13.4 of the Agreement. .
- The amount due the City from the County is payable in four equal quarterly installments: December 31, 2007; March 31, 2008; June 30, 2008; and September 30, 2008.

- To the extent that County-direct employees remain on the County payroll, the County will be allowed a credit against the total contract amount. However, the full contract amount will be budgeted by the City to allow the replacement of County-direct employees with City employees as the remaining three positions become vacant.
- Purchase of capital equipment will be included in the annual budget for the year purchased..
- Fees collected on behalf of County will be deposited into direct County account(s).

Other related provisions include:

- Performance/Financial Reports are provided to the County within sixty days after the end of the mid-year and end-of-year reporting period. Language is included in the Agreement regarding services provided to the County at no charge.
- Section 14.0 of the Agreement provides the requirements for termination by either party, with and without cause, and the prescribed notice periods.