

**AMENDMENT NO. 1 TO
ANIMAL SHELTER SERVICES AGREEMENT
WITH THE CITY OF**

This Amendment No. 1 to the Animal Shelter Services Agreement for is made and entered into as of July 1st, 2026 (“Effective Date”) by and between the City of San Bernardino, a charter city and municipal corporation (“City”) and the City of Loma Linda, a municipal corporation (“Shelter Partner”). City and Shelter Partner are sometimes referred to herein individually as a “Party” and collectively as “Parties.”

RECITALS

A. WHEREAS, the City and the Shelter Partner have entered into an agreement, dated June 1, 2024, for the purpose of providing **animal shelter services** (the “Original Agreement”);

B. WHEREAS, the City, the Shelter Partner and the cities of Fontana, Grand Terrace, Loma Linda, Colton and Rialto (individually, “Participant”, collectively, the “Participants”), have entered into an agreement, dated July 1, 2024, for the purpose of memorializing conditions of the animal shelter services, constructing a new shelter, and establishing cost-sharing allocations (the “Participation Agreement”);

C. WHEREAS, the City retained the right to renegotiate the terms and amend expense amounts and billing costs of the Participation Agreement and the Original Agreement as needed to reflect relevant factors;

D. WHEREAS, given changes in levels of use, increased costs, and inability to adequately account for costs incurred, the City chooses to exercise that right, and the Shelter Partner consents to the proposed changes;

E. WHEREAS, the Parties now desire to amend the Original Agreement in order to revise the monthly billing amounts and ensure accurate cost-sharing amounts.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants, conditions, and promises contained in the this Amendment No. 1 and the Original Agreement, the Parties mutually agree as follows:

AGREEMENT

1. Incorporation of Recitals. The recitals listed above are true and correct and are hereby incorporated herein by this reference.

2. Operational Expenses. Section I. E.1 “Allocation of Operational Expenses” shall be removed in its entirety and replaced with the following:

“The operational cost for Services owing pursuant to this Agreement, calculated with respect to Shelter Partner, each remaining Participant, and the City, shall include their portion of the following costs, calculated and

assessed on a quarterly basis: (1) all annual costs of operation of the Shelters, including salaries and benefits for all shelter staff, including administrative staff, that contribute to the operation of the Shelters, and (2) other indirect costs related to the operation of the shelters, including but not limited to building maintenance, budgeting, recruitment, and security expenses .

An estimated amount for staff salaries, staff benefits, and indirect costs are depicted in **Exhibit D** attached hereto and incorporated herein by reference. These estimates are subject to reasonable modification to reflect factors including, but not limited to, a necessary increase in shelter staff and the number of cities that elect to procure Services from the City and such cities' usage needs. Shelter Partner acknowledges that the division of all operational costs among the Participants allows for costs efficiencies and operational savings to each Participant and that each Participant has entered into their respective Services Agreements in reliance on such shared costs and resulting savings. Each Participant, to provide assurance of such continued cost efficiencies to each remaining Party, hereby expresses its commitment to procure Services from the City for a period of three (3) years with an opportunity to extend the agreement for an additional two (2) one (1) year periods and acknowledges the financial burden that any breach of this commitment would have on all other Parties. To that end this Services Agreement shall each provide for a three (3) year term of service in accordance with Section II of this Agreement.”

3. Compensation for Services. Section III shall be removed in its entirety and replaced with the following:

“Shelter Partner shall reimburse City for the services performed and the expenses incurred in accordance with Exhibit E, “Updated Compensation for Animal Care Shelter Services”, attached hereto and incorporated herein by reference. City shall invoice Shelter Partner on a quarterly basis for such Services, based upon Shelter Partner’s use percentage from the prior fiscal year. Upon closing of the each fiscal year, the City shall recalculate Shelter Partner’s actual use percentage, and impose an additional three (3) percent annual fee onto the Shelter Partner, based upon those actual use amounts. City shall invoice Shelter Partner additional costs based upon the difference between their prior and actual use percentages. If Shelter Partner’s actual use percentage is lower than the prior fiscal year percentage used, the City shall calculate the difference over-billed and notify Shelter Partner of the amount (said amount shall be credited to Shelter Partner’s future payments.) Payment shall be due and payable by Shelter Partner within 30 days following its receipt of the City’s invoice. Shelter Partner acknowledges that payments for Services does not reduce or offset amounts owing towards the Improvements.”

4. Amendment to Exhibit D. Exhibit D shall be removed in its entirety and replaced with the attachment, "Exhibit D: Updated Estimated Salaries of Shelter Staff."

5. Amendment to Exhibit E. Exhibit E shall be removed in its entirety and replaced with the attachment, "Exhibit E: Updated Compensation for Animal Care Shelter Services."

6. Full Force. Except as amended by this Amendment No. 1, all provisions of the Original Agreement, including without limitation the indemnity and insurance provisions, shall remain in full force and effect and shall govern the actions of the Parties under this Amendment No. 1.

7. Electronic Transmission. A manually signed copy of this Amendment No. 1 which is transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Amendment No. 1 for all purposes. This Amendment No. 1 may be signed using an electronic signature.

8. Counterparts. This Amendment No. 1 may be signed in counterparts, each of which shall constitute an original.

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE FOR
AMENDMENT NO. 1 TO THE ANIMAL SHELTER SERVICES AGREEMENT
WITH THE CITY OF**

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 on the Effective Date first herein above written.

CITY OF SAN BERNARDINO,
a charter city and municipal corporation

CITY OF ,
a municipal corporation

By: _____
Eric Levitt
City Manager

By: _____

City Manager

ATTEST:

ATTEST:

By: _____
Telicia Lopez
City Clerk

By: _____

City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Thomas Rice
City Attorney

By: _____
City Attorney

**EXHIBIT D
UPDATED ESTIMATED ADDITIONAL COSTS**

Total Impounds for FY 2024-2025 and Revised Percentages for 2026-2027						
	Q1	Q2	Q3	Q4	Total Impounds	Revised %
San Bernardino	2919	2075	2014	2392	9400	70%
Fontana	511	372	379	452	1714	12.8%
Rialto	463	328	297	316	1404	10.4%
Colton	202	159	145	212	718	5.4%
Loma Linda	34	27	22	37	120	1%
Grand Terrace	12	11	21	13	57	0.5%
Total	4141	2972	2878	3422	13413	100%

Regional Partner	Percentage	Yearly CIP Portion of Costs	Operating Budget	Additional Billing for Staffing	Additional Indirect Costs	3% CPI	Potential Additional
Fontana	12.8%	\$291,284.00	\$1,273,456.00	\$577,304.43	\$70,910.53	\$57,650.12	\$705,865.08
Rialto	10.4%	\$169,916.00	\$742,849.00	\$470,674.90	\$57,813.18	\$38,140.11	\$566,628.19
Colton	5.4%	\$84,960.00	\$371,425.00	\$241,825.37	\$29,703.50	\$19,288.61	\$290,817.49
Loma Linda	1%	\$9,104.00	\$26,592.00	\$40,285.01	\$4,948.22	\$2,154.76	\$47,387.99
Grand Terrace	0.5%	\$18,208.00	\$53,181.00	\$19,938.29	\$2,449.03	\$2,276.04	\$24,663.36
Total Billing	30%	573,472.00	\$2,467,503.00	\$1,350,028.00	\$165,824.46	\$119,509.64	\$1,635,362.11

Each Participant's percentage share is based upon their use percentage from the prior fiscal year.

EXHIBIT E
UPDATED COMPENSATION FOR ANIMAL CARE SHELTER SERVICES

The Shelter Partner, City of Loma Linda shall be billed on a quarterly basis, based on their percentage of share from Exhibit D, for actual staffing costs, other shelter related expenses, and all indirect costs. The City shall send an itemized billing to the shelter partner at the beginning of each quarter for services rendered in the preceding three-month period. Payment is due to City by the Shelter Partner within 30 calendar days of their receipt of the invoice.

Upon closing of the current fiscal year, the City shall calculate Shelter Partner's actual use percentage, which will include a three (3) percent CPI annual fee to account for uncaptured operational and service expenses, and invoice Shelter Partner for additional "true-up" costs based upon the difference between their prior and actual use percentages. If Shelter Partner's actual use percentage is lower than the prior fiscal year percentage used, the City shall calculate the difference over-billed and notify Shelter Partner of the amount. Said amount shall be credited to Shelter Partner's future payment(s).

Additional Costs which may be billed to Shelter Partners at actual cost:

- Livestock, including domestic cattle and equine to be housed and cared for at contracted stables.
- Emergency veterinary visits at contracted veterinary hospitals to be approved by Shelter Partner for after-hours emergencies and Animal Cruelty cases where specialized treatment or necropsies are necessary.
- Extra deceased animal disposal requests from Shelter Partner, including large livestock disposals located in Shelter Partner's Jurisdiction.
- Additional supplies as needed, including veterinary medical supplies and pet food at cost.
- Other indirect costs accrued over a billing period, including building maintenance and budgeting fees.