

**SANTA BARBARA COUNTY  
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Agenda Number:**  
**Prepared on:** 10/11/04  
**Department Name:** Parks  
**Department No.:** 052  
**Agenda Date:** 10/26/04  
**Placement:** Administrative  
**Estimate Time:**  
**Continued Item:** NO  
**If Yes, date from:**

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**TO:** Board of Supervisors

**FROM:** Terri Maus-Nisich  
Parks Director

**STAFF CONTACT:** Mike Gibson  
Business Manager (568-2477)

**SUBJECT:** Amendment to Park Maintenance Services Contract with the City of Goleta

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**Recommendation:**

That the Board of Supervisors execute an amendment to the agreement to provide municipal services to the City of Goleta to correct payment and compensation terms for park maintenance and related services.

**Alignment with Board Strategic Plan:**

The recommendation is primarily aligned with actions required by law or by routine business necessity.

**Executive Summary and Discussion:**

On June 24, 2002, the Board approved an agreement between the County of Santa Barbara and the City of Goleta to provide municipal services to the city. This agreement included a variety of functions and services, including park maintenance and related services for the parks and open space facilities that now fall within the City of Goleta's boundaries.

The County Parks Department has been providing these services to the city for over two years. During the previous two fiscal years (FY 2002-03 and FY 2003-04), the city has been paying the Department for these services on a monthly basis based upon a fixed annual contract amount (\$551,736 per year), which was the "estimated" annual cost for services referenced in the contract. For billing purposes, the annual contract amount has been divided into twelve monthly payments of \$45,978. County Parks has billed the city for this amount each month and has been paid accordingly for the last two fiscal years.

In July 2004, the city requested a report from County Parks on the actual costs for services provided during FY 2002-03 and FY 2003-04. The costs for services was actually below the amounts billed and paid by the

city for each year, resulting in an overpayment by the city of \$135,746 over the course of the two years. Although the contract references an “estimated” annual cost for services as the amount to be billed to the city, there is also a provision for re-computing this cost annually to adjust for changes in costs. This re-computation was not done for either of these two fiscal years, however, which would have provided the opportunity for contract billings to be adjusted to actual costs.

As provided for in the contract, city and County Parks staff recently met to discuss remedies to the overpayment issue as well as the future of the park maintenance contract. In this meeting, it was agreed that the most appropriate way to resolve the previous overpayments was for the city to be granted a credit against monthly service billings in the current fiscal year until the amount overpaid (\$135,746) was reconciled. This would affect the payments for July, August and a portion of September. In addition, it was agreed that all future billings (starting in FY 2004-05) would be based on actual costs.

In order to clarify the basis for the monthly billings, an amendment is required to the park maintenance services section of the contract to correct the payment and compensation terms. This amendment requires approval by both the Board of Supervisors and the Goleta City Council. Once your Board has approved the amendment, it will be forwarded to the city for their approval.

In addition, at the meeting with City of Goleta staff, we were notified that the City intends to discontinue the park maintenance services contract with the County after June 30, 2005. City staff indicated they would be looking at other contracting options for park services after FY 2004-05. As required in the contract, the city will provide written notice to the County of their intention once the City Council has approved this action.

#### **Mandates and Service Levels:**

There are no mandates or changes in service levels.

#### **Fiscal and Facilities Impacts:**

The credit provided on current year billings (\$135,746) to compensate for previous overpayments by the city, plus the estimated reduction in Goleta contract revenue for the remainder of FY 2004-05 due to billings being based on “actual” rather than “estimated” costs (\$69,000), will result in a reduction of approximately \$205,000 in FY 2004-05 budgeted revenue to the Parks Department. This revenue shortfall will be mitigated by continuing to hold vacant positions open in the South County Parks Division for the remainder of the fiscal year.

There is no impact to facilities.

#### **Special Instructions:**

Clerk of the Board to forward executed copy of agreement amendment to Parks Department/Administration,  
Attn: Mike Gibson

**Subject: Amendment to Park Maintenance Services Contract with the City of Goleta**  
**Agenda Date: October 26, 2004**  
**Page: 3**

**Concurrence:**  
Auditor-Controller  
County Counsel

**Attachment**

Attachment 1 – Proposed Amendment to Agreement to Provide Municipal Services Between the County of Santa Barbara and the City of Goleta

