

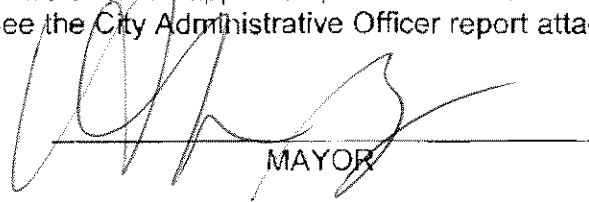
0220-02432-0015

TRANSMITTAL

TO The City Council	DATE MAY 22 2015	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT 14	

**Contract between the City of Los Angeles and Mount Washington Preschool and
Childcare Center, Inc. for the Operation of the Joy Picus Child Care Center**

Transmitted for your consideration. The Council has 60 days from the date of receipt to act,
otherwise the contract will be deemed approved pursuant to Administrative Code Section 10.5(a).
See the City Administrative Officer report attached.


MAYOR

MAS:LGC:08150094t

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

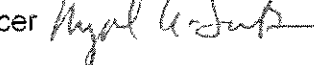
Date: May 21, 2015

CAO File No. 0220-02432-0015

Council File No.

Council District: 14

To: The Mayor

From: Miguel A. Santana, City Administrative Officer 

Reference: Letter to the Mayor from the Board of Recreation and Park Commissioners dated March 19, 2015; referred by the Mayor on March 19, 2015

Subject: **AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND MOUNT WASHINGTON PRESCHOOL AND CHILDCARE CENTER, INC. FOR THE OPERATION OF THE JOY PICUS CHILD CARE CENTER**

SUMMARY

At its meeting of March 19, 2015, the Board of Recreation and Park Commissioners (Board) approved a proposed contract with Mount Washington Preschool and Childcare Center, Inc. (Contractor) for the operation of the licensed Joy Picus Child Care Center (Center) located within City Hall South. The term of the contract will be for a period of July 1, 2015 to June 30, 2020, with one five-year option to renew. The Contractor is responsible for maintaining the Center's operating income through the collection of Center fees. The contract allows for a 3.5 percent annual increase to the fees, subject to the approval of the Board. Subsequent to the Board's approval of the proposed contract, the Department of Recreation and Parks (Department) requested for the insertion of a ratification clause, which has been included in this report's recommendations.

The Department released the Request for Proposal (RFP) on September 11, 2014 on the Los Angeles Business Assistance Virtual Network to find a contractor to manage and operate the Center. The Department received two responses. However, one of the two proposals was received by the Board after the deadline of 3 pm on November 18, 2014, and was therefore, not considered for further review.

The Center consists of approximately 9,500 square feet of indoor space which consists of four separate classroom areas, non-commercial kitchen, laundry area, administrative area, teacher's office, staff lounge, computer/conference room, and separate adult and children restrooms. The Center includes a 6,500 square feet outdoor playground area enclosed by a buffered tile wall.

The Contractor is a nonprofit corporation that currently operates and manages the Center. The Center is licensed by the State of California to provide child care services for up to 86 children. Priority enrollment is provided first to children of City employees, then to Center employees, and finally to the general public.

Under the terms of the contract, the Contractor shall manage and operate a licensed child care program at the Center for 86 children aged six weeks to under six years of age. The Contractor's responsibilities include but is not limited to maintaining a high quality child development and education center; developing an appropriate curriculum; ensuring the health, safety, and security of the children; maintaining the Center's National Association for Education of Young Children accreditation; obtaining and maintaining the necessary licenses and permits; and developing policies and procedures to ensure the efficient daily operation of the Center and during emergencies.

The Contractor's annual reporting responsibilities will include, but is not limited to, submitting a copy of the policies and procedures manual, proposed annual budget, and audited statements, to the Department. In addition, the Contractor will have to participate in a program evaluation within six months of the start-up and annually thereafter. The Contractor will also have to submit bi-annual reports to the Department which includes information on the budget-to-actual report of the revenues and expenses for the relevant six-month period, enrollment list, wait lists, and staffing list.

The contract further outlines the City's responsibilities as it relates to the General Services Department (GSD), Information Technology Agency (ITA), and the Department, as follows:

GSD responsibilities:

- allocating the space designated for the Center at no cost to the Contractor;
- provide washer, dryer, refrigerator, and stove for the initial use of the Center. However, the Contractor shall be responsible for any required equipment replacement;
- provide basic upkeep and ongoing building maintenance;
- provide scheduled custodial service for the interior of the Center;
- maintain restrooms, including dispensers;
- assume water, gas, and electricity costs; and
- maintain, repair, and if necessary replace the security alarm system.

ITA responsibilities:

- assume the cost of local telephone calls for the Center; and
- maintain, repair, and if necessary replace the existing telephone lines and related equipment.

Department, including City Liaison, responsibilities:

- provide scheduled maintenance of the Center exterior grounds;
- receive, review, and/or conduct all reporting or performance evaluation requirements;
- receive, direct, and coordinate requests from the Contractor to other city departments as needed; and
- ensure Contractor's compliance to the terms of the contract.

The Board found that the Department does not have available in its employment, personnel with the necessary expertise to undertake the specialized, professional tasks associated with the

operation of a licensed child care center, and that it is more feasible and economical to secure these services by contract.

At the time of writing this report, the Contractor has submitted all the necessary compliance documentation. However, prior to the execution of the contract, the Department must ensure that the compliance documentation has been verified by the Bureau of Contract Administration.

According to the Department, the proposed contract for the operation and management of an existing child care facility involving negligible or no expansion of use and, therefore, is exempt from provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1 (14) of the City CEQA Guidelines.

RECOMMENDATION

That the Council

1. Approve, and authorize the President and Secretary of the Board of Recreation and Park Commissioners to execute the proposed contract with Mount Washington Preschool and Childcare Center, Inc. for the operation and management of the Joy Picus Child Care Center for the period of July 1, 2015 through June 30, 2020, with one five-year option to renew, subject to the approval of the City Attorney as to form;
2. Request the Board of Recreation and Park Commissioners to approve the inclusion of the following language as Section 15 of the Contract; and

"Section 15 – RATIFICATION

At the request of RAP, and because of the need therefore, CONTRACTOR began performance of the responsibilities contained herein prior to execution of this CONTRACT, which were required prior to the execution hereof. By execution of this CONTRACT, RAP hereby accepts such service(s) subject to all the terms, covenants, and conditions of this CONTRACT, and ratifies its agreement with CONTRACTOR for such service(s)."

3. Request the Board of Recreation and Park Commissioners to revise Section 7 as follows, to accurately reflect responsibility for the Center's security cameras.
 - Replace Section 7.1 (g) with the following:

GSD will maintain, repair, and if necessary, replace the 24-Hour key card security alarm system.
 - Insert Section 7.5

7.5 Los Angeles Police Department (LAPD)

- a) LAPD will maintain, repair, and if necessary replace the entrance monitoring cameras at the front door, back door, and play area.

FISCAL IMPACT STATEMENT

Mount Washington Preschool and Childcare Center, Inc. shall provide services at no cost to the City. There is no additional impact on the General Fund, apart from those outlined under the City's responsibilities in the terms of the contract. To the extent applicable, the recommendation above complies with the City Financial Policies in that on-going revenue will be used to meet on-going expenditures.


MTS:LGC:08150094