



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

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

Department Name: CEO/First 5
Department No.: 990
For Agenda Of: March 1, 2011
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: CEO/First 5 Pat Wheatley, First 5 x8085
Contact Info: Eileen Monahan, First 5 x1038
SUBJECT: Betteravia Child Care Center Service Agreement

County Counsel Concurrence

As to form: Yes

Risk Management Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

1. Approve and authorize a service agreement for March 2, 2011 through June 30, 2016 for Children's Choice Learning Centers, Inc., to operate Santa Barbara County's child care center at the Government Center in Santa Maria, providing high quality affordable child care services, designed to assist the County in increasing productivity and reducing employee lost time

Summary Text:

The establishment of a child care center (Center) for County employees and community families was approved by the Board of Supervisors in 1991, coinciding with the completion of the Center as part of the County Government building in Santa Maria. The original operator provided services for 5 years, followed by Santa Maria Valley YMCA (SMVYMCA), which continues to operate the site until March 1, 2011, after which the new operator begins this contract.

Approval of this lease and service agreement will allow for continued operation of a child care program for children (ages 6 weeks through 5 years) of County employees, other government and school district employees and some community families. The Center is designed to provide high quality early care and education experiences for the child; and stable, affordable services for parents. High quality, onsite child care reduces the lost time that occurs when employees' offsite and/or unstable child care arrangements fall through, and increases productivity as parents are able to focus on work and not on child care arrangements.

Up to 42 children will be served at any one time (more if some are part time), with a priority for County employees. The current lease and agreement with SMVYMCA will end March 1, 2011, by mutual agreement. The agreement with CCLC will begin on March 2, and is for a 5-year, 4 month term, and will be reviewed annually, with accountability reports due from CCLC quarterly and annually.

CCLC has agreed to contribute \$1,100 per month, beginning July 1, 2011, for being permitted to provide the child care services discussed above.

Background:

In April 1990 the Santa Barbara County Board of Supervisors approved plans for a Santa Barbara County-sponsored high quality child care center for County employees, government employees and community families at the County's Betteravia Government Center in Santa Maria. An Agreement was approved on September 10, 1991, with Discoveries, a local for-profit child care provider, to provide such services at the Center, at no cost to the operator.

SMVYMCA, the current operator, has been providing services in the Center since 1996, and has been working with the County to transition the site to a new operator, as it has become difficult economically for the agency to operate the site. SMVYMCA currently pays no rent/overhead in exchange for providing child care services to County employee and community parents.

The leases and service agreements for the Center were administered and enforced by Santa Barbara County Human Services until 2003, when the responsibility was transferred to the First 5 Santa Barbara County Early Care and Education Division in 2003.

In December, 2010, the County issued a Request For Proposals for a child care operator for the Center and, as a result of this process, Children's Choice Learning Centers, Inc. (CCLC) is being recommended to be the County's new operator. CCLC was selected because of their focus solely on employer-sponsored child care, their proven success providing child care for government entities, and their strong capabilities in transitioning child care centers. Because they are a for-profit entity, they have agreed to pay a fee to the County for the ability to provide child care services in the CENTER.

Children's Choice Learning Centers, Inc. (CCLC) was founded in 1998 to offer employer-sponsored child care across the United States. They currently manage 42 centers for 36 employers - local governments (city and county), business, health care, higher education and entertainment industries - and for 9 federal government entities using GSA guidelines.

During the time that the Center has been in operation, the County has also worked to address child care needs in the County by: establishing and funding City and County Child Care Coordinators, participating in a child care center partnership in Santa Barbara, funding and participating in the Santa Barbara Employer Child Care Partnership, permitting County employees to take part in the Employer Child Care Survey, jointly supporting the Santa Barbara County Child Care Planning Council (with Santa Barbara County Education Office), and continuing the oversight and support of Center services through the Santa Barbara County CEO's office and First 5 Santa Barbara County (First 5). This Center continues the effort, serving as a model for future child care centers on other County campuses, as part

of the County's efforts to positively impact the availability of high quality child care services in the county.

Why Onsite Employee Child Care is Important Now...

In order for parents to be productive workers, they need high quality, consistent, affordable child care. Child care issues impact parent workers' productivity, absenteeism, retention, stress and the business bottom line. And, in difficult economic times such as these, optimal productivity is essential, and is supported by high quality child care.

For parents of very young children, having child care onsite where they work is beneficial for maintaining a strong bond with their child, for breastfeeding, and for emergencies. Additionally, onsite child care is convenient for parents, saving the stress of getting to and from work on time (and reducing tardiness); and benefits the community as it eliminates extra vehicle travel on the roads.

High Quality Child Care is Effective in Reducing Lost Time

In 2009, a total of 864 County employees took part in an Employee Child Care Survey (the Survey) as part of the County's efforts to address child care issues across the County. Of the 357 County parents who took the Survey, seventy-two percent reported missing at least one day of work the prior year due to a breakdown in child care arrangements - 4.14 days each on average (a range of between 1 and 8 days each). Taken together and multiplied by an average of the County respondents' salaries, this sums to a total of 1073 days and over \$206,000 in lost time in one year.

Breakdowns in child care arrangements occur due to a variety of circumstances – the child's caregiver becomes sick, has an emergency or otherwise cannot care for the child that day; the parent loses child care for some reason and cannot immediately find alternate care; or, as is the case for many parents, a number of child care arrangements are patched together for one child and requires the parent's involvement during the work day.

Affordable Child Care Spaces are in Short Supply

Child care availability and cost were two primary issues identified by County parents who participated in the Survey. Fifty-nine percent of all County parent respondents stated that they would use an onsite child care center if it were affordable and high quality. The Santa Barbara County Child Care Planning Council's recently released Early Care and Education Now needs assessment indicates that in northern Santa Barbara County, there is just one space for every 2 children ages 3-5 of working parents. The ratio decreases for infants and toddlers, with 5.26 babies for every 1 space available.

Middle income parents reported having the greatest difficulty finding affordable care, as low income parents can access subsidized care and high income parents can pay the full cost. The average cost of care in centers across the county is \$1008 for infants and \$704 for preschoolers; significantly higher than the tuition rates at the Center. Thus, the Center provides a critical, affordable service to County employees, but also contributes to the number of affordable spaces available overall in the community.

County Child Care Center Design...

The vision for the County's Child Care Center in Santa Maria is that it will serve as a community model of high quality child care - for other child care programs and for other employers who are interested in

addressing the child care needs of their employees. It will also become the template for future County child care services in other parts of the County. As such, the quality of the services is paramount, as is the operator's willingness and ability to serve as a demonstration site for others.

As operator, CCLC will manage and operate the day-to-day operations of a model employer-sponsored child care center in accordance with the following overarching criteria:

- Accreditation by the National Association for the Education of Young Children,
- Priority enrollment for County employees,
- The assurance of financial support for some parents, and
- Maintaining a license in good standing with State of California Community Care Licensing.

This includes staffing the Center, maintaining maximum enrollment, and performing all other activities associated with running a child care center.

The Center will be operated year-round from 7:00am to 6:00pm Monday through Friday and will be closed on all County holidays. The Center's enrollment capacity of 42 is based on full-time status, with ages ranging from 6 weeks through 5 years (Infant, Toddler and Preschool). An average of 7 full-time teachers and a Center Director will staff the facility, all as employees of CCLC, not the County. CCLC will maintain or enhance current family partnerships, curriculum, and program practices, allowing consistency and stability for children and families.

The Center will be available to County employees who are parents or legal guardians as first priority, other government and school district employees as second priority and community families third. CCLC will be responsible for maintaining a high quality operation and marketing to County employees to keep the center fully enrolled. The Center will continue as a site for up to 4 CalWORKs, Alternative Payment or other subsidized families when non-County employee spaces are available.

Performance Measure:

With approval from the Board of Supervisors, transition to CCLC will take place on March 2, 2011.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund	\$ 1,800.00		
State			
Federal			
Fees			
Other: Fees	\$ 12,000.00		
Total	\$ 13,800.00	\$ -	\$ -

Narrative:

The current lease with SMVYMCA provides the facility at no cost to the agency in return for the service to County employees and community families. Facilities costs are paid through the CEO budget. CCLC has agreed to contribute \$1,100 per month for being permitted to provide child care services in the

Center, and has agreed to establish lower than market rate tuition rates for County employees and other participating families.

Staffing Impacts:

Legal Positions:

N/A

FTEs:

N/A

Special Instructions:

Please send copy of minute order to Children's Choice Learning Centers, Inc.

Attachments:

Service Agreement

Authored by:

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CC:

Terri Maus-Nisich, Assistant CEO