

TRANSMITTAL

TO The City Council	DATE 10/2/18	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT 14	

**First Amendment and Second Amendment to Contract No. 3538 between
the City and Mount Washington Preschool and Childcare Center, Inc.**

Approved and 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.



ERIC GARCETTI
MAYOR

(Ana Guerrero) for

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: September 28, 2018

CAO File No. 0220-02432-0016
0220-02432-0017

Council File No.
Council District: 14

To: The Mayor

From: Richard H. Llewellyn, Jr., City Administrative Officer

References: Letter to the Mayor from the Board of Recreation and Park Commissioners dated March 5, 2018; referred by the Mayor on March 7, 2018; and
Letter to the Mayor from the Board of Recreation and Park Commissioners dated June 15, 2018; referred by the Mayor on June 19, 2018

Subject: **FIRST AMENDMENT FOR THE INCLUSION OF CHRISTMAS EVE AS AN ADDITIONAL DAY OF CLOSURE, AND SECOND AMENDMENT FOR THE INCREASE IN ANNUAL TUITION AND FEE INCREASES TO CONTRACT BETWEEN THE CITY OF LOS ANGELES AND MOUNT WASHINGTON PRESCHOOL AND CHILDCARE CENTER, INC.**

RECOMMENDATION

That the Council,

1. Approve and authorize the President and Secretary of the Board of Recreation and Park Commissioners to execute First Amendment to Contract No. 3538 between the City and Mount Washington Preschool and Childcare Center, Inc. for the inclusion of Christmas Eve as additional day of closure, subject to the approval of the City Attorney as to form; and
2. Approve and authorize the President and Secretary of the Board of Recreation and Park Commissioners to execute Second Amendment to Contract No. 3538 between the City and Mount Washington Preschool and Childcare Center, Inc. to increase the annual maximum tuition and fees increase from 3.5% to 4.0%, subject to the approval of the City Attorney as to form.

SUMMARY

First Amendment

At its meeting of February 21, 2018, the Board of Recreation and Park Commissioners (Board) approved the proposed First Amendment to Contract No. 3538 between the City and Mount Washington Preschool and Childcare Center, Inc. (Contractor) to include Christmas Eve as an additional day of closure for the Joy Picus Childcare Center (Center). According to the

Department of Recreation and Parks (Department), the Joy Picus Childcare Center Parent Advisory Council supports the additional day of closure for the Center as it will improve teacher morale and enhance the benefit package for Center staff.

Second Amendment

In March 2018, the Contractor submitted a request to increase the annual tuition and fees from 3.5% to 4.0% to comply with the City's mandate to increase the employee minimum wage to \$15 per hour by 2020 and to retain quality staff for the Center. At its meeting of June 6, 2018, the Board of Recreation and Park Commissioners approved the proposed Second Amendment to Contract No. 3538 between the City and Mount Washington Preschool and Childcare Center, Inc. to increase the annual maximum tuition and fees as stipulated in Section 6.10 of the Contract from 3.5% to 4.0%.

According to the Department, the Joy Picus Childcare Center Parent Advisory Council and 85% of the Center parents support the tuition and fees increase.

Background

Mount Washington Preschool and Childcare Center, Inc. (Contractor) has operated the Joy Picus Childcare Center (Center) since 2009. The Center is located within City Hall South at 111 East First Street, Los Angeles, CA 90012. The current Contract 3538 commenced in July 2015 and expires in June 2020 with one option to extend the term for an additional five years.

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.

Council approval of the proposed First Amendment and Second Amendment is required because Council approved the original agreement. To the best of our knowledge, Mount Washington Preschool and Childcare Center, Inc. has complied with all standard provisions for City contracts, as well as City contracting requirements.

FISCAL IMPACT STATEMENT

The Mount Washington Preschool and Childcare Center, Inc. services are not paid for by the City. There is no additional impact on the General Fund. 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.

**DEPARTMENT OF RECREATION
AND PARKS**

BOARD OF COMMISSIONERS

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PRESIDENT

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CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
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EXECUTIVE OFFICER &
CHIEF OF STAFF

RAMON BARAJAS
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VICKI ISRAEL
ASSISTANT GENERAL MANAGER

SOPHIA PIÑA-CORTEZ
ASSISTANT GENERAL MANAGER

(213) 202-2633 FAX (213) 202-2614

March 5, 2018

Honorable Eric Garcetti, Mayor
City of Los Angeles
Room 303, City Hall

Attention: Ms. Mandy Morales

Dear Mayor Garcetti:

In accordance with Executive Directive No. 3 (Villaraigosa Series), attached herewith is a copy of a proposed First Amendment to Contract No. 3538 between the Department of Recreation and Parks and Mount Washington Preschool and Childcare Center, Inc., for the inclusion of Christmas Eve in Section 6.2 of the Original Contract as a Joy Picus Childcare Center additional day of closure in addition to the City employee holidays observed by the City of Los Angeles.

Also attached for the assistance of your Office in reviewing the proposed MOU is Report No. 18-029, which was adopted by the Board of Recreation and Park Commissioners at its Special Meeting held on February 21, 2018. After your review and recommendation, the proposed MOU will be submitted to the Board Office for final action.

If you have any questions with regard to the proposed MOU, please contact Joel Alvarez, Senior Management Analyst II, Partnership Division at (213) 202-5671.

Very truly yours,

**BOARD OF RECREATION AND
PARK COMMISSIONERS**

IRIS L. DAVIS
Commission Executive Assistant II

Attachments

cc: Joel Alvarez, Senior Management Analyst II, Partnership Division



**FIRST AMENDMENT TO CONTRACT NO. 3538
BETWEEN
THE CITY OF LOS ANGELES
AND
MOUNT WASHINGTON PRESCHOOL AND CHILDCARE CENTER, INC.
FOR THE
OPERATION OF THE JOY PICUS CHILDCARE CENTER**

THIS FIRST AMENDMENT TO CONTRACT NO. 3538 ("AMENDMENT") is made this _____, 20____, by and between the City of Los Angeles ("CITY"), a municipal corporation, acting by and through its Board of Recreation and Park Commissioners ("BOARD"), and Mount Washington Preschool and Childcare Center, Inc., a California non-profit corporation ("CONTRACTOR"). CITY and CONTRACTOR may be referred to herein individually as "PARTY" or collectively as "PARTIES".

WHEREAS, on March 19, 2015, the Board of Recreation and Park Commissioners awarded Contract No. 3538 between the CITY and CONTRACTOR for CONTRACTOR to operate the Joy Picus Childcare Center, a licensed childcare facility located on the ground floor of City Hall South, for an initial five-year term (Report No. 15-053), and which Contract No. 3538 was subsequently executed on January 6, 2016, and is due to expire on June 30, 2020; and,

WHEREAS, in November 2017, CONTRACTOR asked CITY to approve CONTRACTOR'S request to include Christmas Eve (December 24th) in the Joy Picus Childcare Center Holiday Schedule as an unofficial holiday and as a day of closure for the Joy Picus Childcare Center, and to make such change effective for the remainder of the term of Contract No. 3538; and,

WHEREAS, CITY has agreed and thereby approves CONTRACTOR'S request to add Christmas Eve as a day of closure for the Joy Picus Childcare Center.

NOW THEREFORE, in consideration of the foregoing, and the terms and conditions contained herein, and the performance thereof, PARTIES hereby agree to amend Contract No. 3538 as follows:

[THIS SPACE PURPOSELY LEFT BLANK]

Section 6.2 – Hours and Days of Operation

The first paragraph in Section 6.2 is hereby amended in its entirety and shall now read:

The hours and days of operation for the CENTER, for child care services, shall be from 6:30 a.m. to 6:00 p.m., Monday through Friday, excluding the following City of Los Angeles recognized employee holidays: New Year's Day; Martin Luther King Jr.'s Birthday; George Washington's Birthday; Cesar Chavez' Birthday; Memorial Day; Independence Day; Labor Day; Columbus Day; Veterans Day; Thanksgiving Day and the Friday after Thanksgiving; and, Christmas Day. In addition to the aforementioned City of Los Angeles recognized employee holidays, CENTER is authorized to be closed on Christmas Eve.

With the exception of Section 6.2 as amended herein, Contract No. 3538 shall remain unchanged by this Amendment and in full force and effect. Should any provision of Contract No. 3538 conflict with this Amendment, the terms and conditions of this Amendment shall prevail.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this FIRST AMENDMENT TO CONTRACT NO. 3538, as of the day and year first written above.

CITY OF LOS ANGELES, a municipal corporation, acting by and through its BOARD OF RECREATION AND PARK COMMISSIONERS

MOUNT WASHINGTON PRESCHOOL AND CHILDCARE CENTER, INC., a California non-profit organization

By: _____
President

By: _____

By: _____
Secretary

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

MICHAEL N. FEUER, City Attorney

By: _____
Deputy City Attorney

Date: _____

APPROVED

FEB 21 2018

BOARD OF RECREATION

BOARD REPORT

AND PARK COMMISSIONERS NO. 18-029

DATE February 21, 2018

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: JOY PICUS CHILDCARE CENTER – FIRST AMENDMENT TO CONTRACT NO. 3538 WITH MOUNT WASHINGTON PRESCHOOL AND CHILDCARE CENTER, INC., TO ADD CHRISTMAS EVE TO SECTION 6.2 AS AN ADDITIONAL DAY OF CLOSURE FOR THE CENTER

AP Diaz	_____	V. Israel	_____
R. Barajas	_____	S. Pine-Cortez	_____
H. Fujita	_____	* N. Williams	<u>NDW</u>


General Manager

Approved X Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Approve the proposed First Amendment (Amendment) to Contract No. 3538 (Contract) (Attachment 1), between The Department of Recreation and Parks (RAP) and Mount Washington Preschool and Childcare Center, Inc., for the inclusion of Christmas Eve in Section 6.2 of the Original Contract (Attachment 2) as a Joy Picus Childcare Center additional day of closure in addition to the City employee holidays observed by the City of Los Angeles, subject to approval of the Mayor, the City Council, and the City Attorney as to form;
2. Direct the Board Secretary to transmit the First Amendment to the Mayor, in accordance with Executive Directive No. 3, the City Council, and to the City Attorney for review and approval as to form; and,
3. Authorize the Board President and Secretary to execute the First Amendment subsequent to all necessary approvals.

SUMMARY

Mount Washington Preschool and Childcare Center, Inc. (MWPC), the current operator of the Joy Picus Childcare Center (Center) located within City Hall South, submitted a written request to the Department of Recreation and Parks (RAP), attached to this Report (Attachment 3), for an amendment to the Original Contract adding Christmas Eve (December 24th) to Section 6.2 as a non-holiday, additional day of closure for the Center. Contract No. 3538 was awarded by the Board of Recreation and Park Commissioners (BOARD) to MWPC on March 19, 2015 (Report No. 15-053) and executed on January 6, 2016. MWPC has operated the Joy Picus Childcare Center since 2009, providing quality childcare services primarily to City employees, but also to the general public.

BOARD REPORT

PG. 2 NO. 18-029

Section 6.2 (Hours and Days of Operation) of the Contract stipulates that only City employee holidays observed by the City of Los Angeles shall be the holiday related days of Center closure. Pursuant to the terms and conditions of the Contract, MWPCC is also allowed to close the Center on designated days of staff training. On October 27, 2017, the Partnership Division received a written correspondence from MWPCC, requesting RAP's consideration and approval for MWPCC to be authorized to add Christmas Eve as an additional day of closure to the list of approved City-observed holidays during which the Center is closed. The Board's approval of the proposed First Amendment will authorize MWPCC to add Christmas Eve as a day of closure for only the Center, and will not designate Christmas Eve as a "holiday" in the traditional sense, nor will it have any impact on the list of holidays specified and observed by the City of Los Angeles.

MWPCC's original October 2017 request (Attachment 4) to RAP was for approval to add December 24th to the Center's 2018 Holiday Calendar. In accordance with the Center's operating guidelines and standard practice at the beginning of each calendar year, MWPCC is required to provide their parent-clients with thirty (30) days advance written notice of any changes impacting the upcoming year, which in this case had to be done by December 1, 2017, for implementation on January 1, 2018. Before acting upon the request with RAP Management or taking any other action, RAP Staff requested that MWPCC first provide RAP with written correspondence demonstrating the Joy Picus Childcare Center Parent Advisory Council's support for the proposed change to the Holiday Calendar. In a letter dated November 15, 2017 (Attachment 5) from the Center's Parent Advisory Council supporting the additional day of closure, the Center's Parent Advisory Council stated that the additional day of closure will help to improve teacher morale by improving their benefits package. Additionally, MWPCC administrative staff conveyed to RAP that improving staff benefits will help MWPCC retain the quality teachers currently on staff.

Realizing the urgency due to the short time frame, RAP provided MWPCC with a letter dated November 20, 2017 (Attachment 6), tentatively authorizing the inclusion of Christmas Eve as an additional day of closure on the Center's 2018 Holiday Calendar, subject to the Board's and City Council's future approval of the proposed Amendment for a permanent change to Section 6.2 to be in force during the remaining term of the Contract. As with the Board's previous approval of a tuition increase to allow MWPCC to increase teacher wages in compliance with the City's mandate to increase the minimum wage to \$15.00 per hour by 2020, the Board's approval of the proposed Amendment will further assist MWPCC with their effort to appropriately compensate and retain quality teachers.

ENVIRONMENTAL IMPACT STATEMENT

The proposed First Amendment to the Contract is not a project subject to CEQA because it is an organizational or administrative activity of governments that will not result in direct or indirect physical changes to the environment. Therefore, no CEQA determination is required for the Board's action.

BOARD REPORT

PG. 3 NO. 18-029

FISCAL IMPACT STATEMENT:

Approval of the proposed First Amendment will have no fiscal impact on the RAP's General Fund, as the associated change to the Center's Holiday Schedule does not involve RAP monetarily, as all Center operating costs are born by MWPCC.

This Report was prepared by Joel Alvarez, Senior Management Analyst II, Partnership Division.

LIST OF ATTACHMENTS

- 1) Proposed Amendment**
- 2) Contract 3538**
- 3) MWPCC Request Letter (dated November 17, 2017)**
- 4) Proposed Holiday Schedule**
- 5) Joy Picus Parent Advisory Council Letter (dated November 15, 2017)**
- 6) RAP Tentative Authorization Letter (dated November 20, 2017)**

Attachment 3



**Mount Washington
Preschool and
Child Care
Center, Inc.**

November 17, 2017

Joel Alvarez
Senior Management Analyst II
Partnership Division
City of Los Angeles
Department of Recreation and Parks
221 N. Figueroa Street
Suite 180 (Stop #628-9)
Los Angeles, CA 90012

Re: Joy Picus Child Development Center
Contract No. 3538

Dear Mr. Alvarez:

We would like to request a permanent amendment to the above contract regarding the annual Holiday Schedule. We would like to request the addition of Christmas Eve (full day) to the Holiday Schedule.

We recently did a staff survey and one pervasive theme of their requests was more time off at the holidays. A large majority of our staff celebrate the Christmas holiday on Christmas Eve and are responsible for cooking the holiday meal. We know that we cannot give our staff the whole two weeks off that many other schools take, but being able to give them an extra day off will allow them to spend time with their families and fully enjoy the holiday. This little bit of extra time off will show that we respect their family time and will increase morale, which will then ultimately improve their ability to be great teachers.

We would love to be able to do this for our staff every year. Since we can only increase wages by a limited amount, the addition of this benefit may help us to retain teachers.

We also have the support of the Joy Picus Parent Advisory Council (PAC) for the addition of this holiday. Please see the PAC letter attached, which has signatures of 22 parents supporting the addition of Christmas Eve to the holiday schedule. One parent commented to me, "I just heard a NPR story about how hard it is to keep child care workers, since the pay is so low for the work to be done. It seems like it would be a nice perk to have that day off, and I think it's worth it offering that perk. And, I think if we all agree to do it this year, we should just continue for all the years."

We would like to thank you and Management in advance for considering this matter. If you have any further questions, please feel free to call me.

Sincerely,

Tel: 323.222.7114
Fax: 323.222.7116

MOUNT WASHINGTON PRESCHOOL
AND CHILD CARE CENTER, INC.

4601 N. Figueroa St.
Los Angeles, CA 90065

TAMARA BROWN, MA
Executive Director

MOUNT WASHINGTON PRESCHOOL & CHILD CARE CENTER INC.
2018 HOLIDAY SCHEDULE

Monday	January 1, 2018	New Year's Day 2018
Monday	January 15, 2018	Martin Luther King, Jr. Day
Monday	February 19, 2018	President's Day
Monday	March 26, 2018	Cesar Chavez Day
Friday	May 25, 2018	Staff Development Day
Monday	May 28, 2018	Memorial Day
Wednesday	July 4, 2018	Independence Day
Friday	August 31, 2018	Staff Development Day
Monday	September 3, 2018	Labor Day
Monday	October 8, 2018	Indigenous Peoples' Day
Monday	November 12, 2018	Veterans Day
Thursday & Friday	November 22 & 23, 2018	Thanksgiving & Day After
Monday & Tuesday	December 24 & 25, 2018	Christmas Eve & Christmas Day
Monday	December 31, 2018	Staff Development Day
Tuesday	January 1, 2019	New Year's Day 2019

There are no tuition credits or adjustments for illness, holidays, vacations or
circumstances beyond our control.

Attachment 5

November 15, 2017

To Whom It May Concern;

The Parent Advisory Council (PAC) at the Joy Picus Child Development Center wants to help the teachers in any way we can. We believe that allowing them to have Christmas Eve off every year will help with teacher morale, and this will be added perk to add to their benefit package.

Thank you for always looking out for the best interest of the Joy Picus Child Development Center.

Thank you,

Representatives of the Parent Advisory Council (PAC)

[Handwritten signatures of PAC representatives]

[Handwritten signatures of Joy Picus Child Development Center staff]

DEPARTMENT OF RECREATION
AND PARKS

BOARD OF COMMISSIONERS

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PRESIDENT

LYNN ALVAREZ
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BOARD SECRETARY (213) 202-2640

CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

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GENERAL MANAGER

ANTHONY-PAUL (AP) DIAZ, ESQ.
EXECUTIVE OFFICER &
CHIEF OF STAFF

RAMON BARAJAS
ASSISTANT GENERAL MANAGER

VICKI ISRAEL
ASSISTANT GENERAL MANAGER

SOPHIA PIÑA-CORTEZ
ASSISTANT GENERAL MANAGER

(213) 202-2633 FAX (213) 202-2614

June 15, 2018

Honorable Eric Garcetti, Mayor
City of Los Angeles
Room 303, City Hall

Attention: Ms. Mandy Morales

Dear Mayor Garcetti:

In accordance with Executive Directive No. 3 (Villaraigosa Series), attached herewith is a proposed Second Amendment to Contract No. 3538 between the Department of Recreation and Parks with Mount Washington Preschool and Childcare Centers, Inc. (MWPCC) for to increase the allowable maximum percentage for requested annual tuition and fee increases under Section 6.10, from three and a half percent (3.5%) to four percent (4%), for the Joy Picus Childcare Center located within City Hall South.

Also attached for the assistance of your Office in reviewing the proposed Second Amendment is Report No. 18-102, which was adopted by the Board of Recreation and Park Commissioners at its Special Meeting held on June 6, 2018. After your review and recommendation, the proposed MOU will be submitted to the Board Office for final action.

If you have any questions with regard to the proposed Second Amendment, please contact Mr. Joel Alvarez, Senior Management Analyst II, Partnership Division at (213) 202-5671.

Very truly yours,

BOARD OF RECREATION AND
PARK COMMISSIONERS

IRIS L. DAVIS
Commission Executive Assistant II

Attachments

cc: Joel Alvarez, Senior Management Analyst II, Partnership Division



SECOND AMENDMENT TO CONTRACT NO. 3538
BETWEEN
THE CITY OF LOS ANGELES
AND
MOUNT WASHINGTON PRESCHOOL AND CHILDCARE CENTER, INC.
FOR THE
OPERATION OF THE JOY PICUS CHILDCARE CENTER

THIS SECOND AMENDMENT TO CONTRACT NO. 3538 ("AMENDMENT") is made this _____, 20____, by and between the City of Los Angeles ("CITY"), a municipal corporation acting by and through its Board of Recreation and Park Commissioners ("BOARD"), and Mount Washington Preschool and Childcare Center, Inc., a California non-profit corporation ("CONTRACTOR"). CITY and CONTRACTOR may be referred to herein individually as "PARTY" or collectively as "PARTIES".

WHEREAS, on March 19, 2015, the BOARD approved Contract No. 3538 between the CITY and CONTRACTOR, authorizing CONTRACTOR to operate the Joy Picus Childcare Center, a licensed childcare facility located on the ground floor of City Hall South, for an initial five-year term (Report No. 15-053), and which Contract No. 3538 was subsequently executed on January 6, 2016, and is due to expire on June 30, 2020; and,

WHEREAS, Contract No. 3538 currently allows CONTRACTOR to submit, on an annual basis, a written request to the Department of Recreation and Parks ("RAP") for authorization to increase the current tuition rate and schedule of fees, subject to approval by the BOARD, with the rate of increase not to exceed a maximum three and a half percent (3.5%) per year; and,

WHEREAS, CONTRACTOR has requested that CITY approve CONTRACTOR'S request to increase by four percent (4.0%) the tuition rates and schedule of fees for Fiscal Year 2018-19 (the "Increase") and the BOARD has approved such Increase (Board Report 18-102); and,

WHEREAS, the BOARD has approved an amendment to Contract No. 3538 which would allow for the Increase under Contract No. 3538 by increasing the allowable maximum yearly tuition rate increases to four percent (4.0%) from three and a half percent (3.5%) for the Joy Picus Childcare Center under Contract No. 3538 (Board Report 18-102).

NOW THEREFORE, in consideration of the foregoing, and the terms and conditions contained herein, and the performance thereof, PARTIES hereby agree to amend Contract No. 3538 as follows:

Section 6.10 – Tuition and Fees

Section 6.10 (c) is hereby amended in its entirety and shall now read:

The tuition rate and schedule of fees may not be increased by more than a maximum four percent (**4.0%**) per year, subject to the written approval by the BOARD.

With the exception of the First Amendment and Section 6.10 (c) as amended herein, Contract No. 3538 shall remain unchanged and in full force and effect. Should any provision of Contract No. 3538 conflict with this Second Amendment, the terms and conditions of this Second Amendment shall prevail.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this SECOND AMENDMENT TO CONTRACT NO. 3538, as of the day and year first written above.

CITY OF LOS ANGELES, a municipal corporation, acting by and through its BOARD OF RECREATION AND PARK COMMISSIONERS

MOUNT WASHINGTON PRESCHOOL AND CHILDCARE CENTER, INC., a California non-profit organization

By: _____
President

By: _____

By: _____
Secretary

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

MICHAEL N. FEUER, City Attorney

By: _____
Deputy City Attorney

Date: _____

JOY PICUS CHILD DEVELOPMENT CENTER**2018 - 2019 Monthly Tuition Rates****Effective: July 1, 2018**

Waiting List Fee: To be paid at the time application is turned in (non-refundable): \$ 80.00
Enrollment Fee: To be paid at the time of enrollment: \$ 138.00

Infants - Ratio 3:1	City Rate	Community Rate
5 days per week	\$ 1,336.00	\$ 1,382.00
4 days per week	\$ 1,189.00	\$ 1,234.00
3 days per week	\$ 898.00	\$ 930.00
2 days per week	\$ 601.00	\$ 622.00
Extra day of care (when available)	\$ 80.00	\$ 80.00

Toddlers - Ratio 4:1	City Rate	Community Rate
5 days per week	\$ 1,310.00	\$ 1,356.00
4 days per week	\$ 1,166.00	\$ 1,210.00
3 days per week	\$ 878.00	\$ 911.00
2 days per week	\$ 588.00	\$ 610.00
Extra day of care (when available)	\$ 80.00	\$ 80.00

Preschool I - Ratio 6:1	City Rate	Community Rate
5 days per week	\$ 1,156.00	\$ 1,223.00
4 days per week	\$ 1,011.00	\$ 1,062.00
3 days per week	\$ 783.00	\$ 819.00
2 days per week	\$ 551.00	\$ 588.00
Extra day of care (when available)	\$ 80.00	\$ 80.00

Preschool II - Ratio 8:1	City Rate	Community Rate
5 days per week	\$ 982.00	\$ 1,085.00
4 days per week	\$ 897.00	\$ 953.00
3 days per week	\$ 695.00	\$ 747.00
2 days per week	\$ 489.00	\$ 529.00
Extra day of care (when available)	\$ 80.00	\$ 80.00

Hours of Operation: 6:30AM - 6:00PM Monday through Friday

Holidays/Closure Days: Closed all City Holidays & other days per schedule provided annually

- Tuition is due by the first (1st) of every month.
- If the 1st is on a holiday or weekend, then tuition is due on the NEXT business day.
- A \$10.00 per day late fee will be applied to tuition received after the 1st of the month.
- A \$1.00 per minute late pick-up fee will be applied for late pick-up after 6:00PM.
- There are no tuition credits or adjustments for illness, holidays, vacations or circumstances beyond our control.

PLEASE MAKE CHECKS PAYABLE TO: MWPCCC



**Mount Washington
Preschool and
Child Care
Center, Inc.**

March 13, 2018

Joel Alvarez, Senior Management Analyst II
Partnership Division
City of Los Angeles
Department of Recreation and Parks
221 N. Figueroa Street
Suite 180 (Stop #628-9)
Los Angeles, CA 90012

RE: Joy Picus Child Development Center Contract Number 3538

Dear Mr. Alvarez:

The Joy Picus Child Development Center is having a great year. We are doing so many amazing things for the children of the City of Los Angeles employees as well as the community children too. The center is going through re-accreditation through the National Association for the Education of Young Children (NAEYC). We expect to have a visit from the NAEYC assessor any day now. Achieving NAEYC accreditation is a very high honor, and only a few centers have such distinction.

We are attaching two Joy Picus Child Development Center budgets for fiscal year 2018-2019. The first budget has a negative net income of \$1,130.37, and includes a tuition increase of 3.5% and wage increases of 4% and increased employer contributions to the health insurance from 60% to 65%. As you can see, a 3.5% tuition increase does not allow us to have a balanced budget. We have determined that we need to give 4% employee raises between now and 2020 to meet the City's minimum wage requirement for 2020.

The second budget has a positive net income of \$150.16, and includes the requested tuition increase of 4.0% and wage increases of 4% and increased employer contributions to the health insurance from 60% to 75%. In December, we did a survey asking the teachers how we at MWPCCC could give them a better working environment. The top two things they mentioned were better pay and more help from MWPCCC in paying for their health insurance. We would like to raise our contribution to 75%, and this 4% tuition increase budget will allow us to do so.

Through my research, I found that of the accredited centers in the downtown area, the Joy Picus Child Development Center's tuition is lower than many other centers. Preschool teachers are in a profession where their pay does not equal the amount of work they do every single day or their education. Since we are NAEYC accredited, our teachers need to be working towards their Bachelor's degree, and 75% of them need to have their BA degrees by 2020. The 4% tuition increase will allow us to raise the teachers' pay by 4%, which will then help us to be on track for them to make the City mandated minimum wage of \$15 per hour by 2020.

We have put out a letter to the parents requesting their support of this 4% tuition increase. We will be gathering their signatures and will forward that information to you as soon as we receive it.

On March 12th, our Board member, Tracey Chavira, and I met with Jeanne Min, Chief of Staff for Council Member Mitch O'Farrell as well as Andrew Suh, the Legislative Deputy for Council Member David Ryu's office. They are in full support of this 4% tuition increase, as they understand that our teachers need to be paid more and have increased benefits.

**Tel: 323.222.7114
Fax: 323.222.7116**

**4601 N. Figueroa St.
Los Angeles, CA 90065**

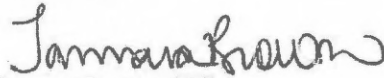
Joel Alvarez, Senior Management Analyst II
Partnership Division
City of Los Angeles
Department of Recreation and Parks
March 13, 2018
Page 2

We request an amendment to our contract for a permanent 4% cap for tuition increases. We also request that this tuition increase of 4% be approved, effective July 1, 2018. We will need to distribute letters to the parents no later than June 1, 2018, in order to give them the proper 30-day notice for the tuition increase.

We are also attaching the proposed 4% tuition rate sheet.

We appreciate your consideration of this contract amendment and tuition rate increase matter and look forward to hearing from you as soon as possible.

Thank you,

A handwritten signature in cursive script, appearing to read "Tamara Brown".

Tamara Brown, MA
Executive Director
Mount Washington Preschool and
Child Care Center, Inc.
4601 N. Figueroa Street
Los Angeles, CA 90065
(323) 222-7114 Phone
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APPROVED
JUN 06 2018

BOARD REPORT

BOARD OF RECREATION
AND PARK COMMISSIONERS

NO. 18-102

DATE: June 06, 2018

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: JOY PICUS CHILD CARE CENTER – SECOND AMENDMENT TO CONTRACT NO. 3538 TO INCREASE THE ALLOWABLE MAXIMUM PERCENTAGE FOR YEARLY TUITION RATE AND FEE INCREASES; TUITION FEE SCHEDULE FOR FISCAL YEAR 2018-19

AP Diaz	_____	V. Israel	_____
R. Barajas	_____	S. Piña-Cortez	_____
H. Fujita	_____	*N. Williams	<u>NDW</u>



General Manager

Approved X

Disapproved _____

Withdrawn _____

RECOMMENDATIONS

1. Approve the proposed Second Amendment to Contract No. 3538 with Mount Washington Preschool and Childcare Centers, Inc. (MWPPCC), attached to this Report as Attachment 1, to increase the allowable maximum percentage for requested annual tuition and fee increases under Section 6.10, from three and a half percent (3.5%) to four percent (4%), for the Joy Picus Childcare Center located within City Hall South;
2. Approve the proposed Joy Picus Childcare Center monthly tuition and fees page for Fiscal Year 2018–19, as attached hereto as Attachment 2, with such rates and fees to be effective July 1, 2018;
3. Direct the Board of Recreation and Park Commissioners' (Board) Secretary to transmit the Second Amendment to Contract No. 3538 to the City Council and the Mayor for approval, and concurrently to the City Attorney for review and approval as to form; and,
4. Authorize the Board President and Secretary to execute the Second Amendment to Contract No. 3538 upon receipt of to all necessary approvals.

SUMMARY

Mount Washington Preschool and Childcare Centers, Inc. (MWPPCC) has successfully operated the Joy Picus Child Care Center (Center) since July 1, 2009; located within City Hall South at 111 East First Street, Los Angeles 90012. The Center primarily serves the children of City employees, but also provides recreational child development services to the general public contingent upon available space. Although City Hall South is not on dedicated park property, the Department of Recreation and Parks (RAP) oversees the operation of the Center pursuant to prior Board and City Council approval(s). Contract No. 3538 (Contract) was awarded to

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MWPCC in March of 2015, and was executed on January 6, 2016, with a term of five (5) years, commencing July 1, 2015 and expiring June 30, 2020. However, the Contract also contains an option to extend the term for an additional five (5) years, at the sole discretion of the RAP's General Manager. Through its approval of the Contract in 2015, the Board also approved a tuition increase of three and a half percent (3.5%) (effective July 1, 2015) from the prior tuition rate that had been in place from July 1, 2012 through June 30, 2015.

Pursuant to Section 6.10 of the Contract, MWPCC may submit an annual request to RAP for authorization to increase the tuition and fees for the upcoming fiscal year. The written request must include substantiation for the requested increase and pursuant to the current provision, the proposed increase cannot exceed a maximum of three and a half percent (3.5%) per year. All proposed tuition and fee increases are subject to approval by the Board. Recently, the Board approved subsequent three and a half percent (3.5%) increases for Fiscal Year 2016-17 on July 13, 2016 (Report No. 16-149 - effective August 1, 2016), and for Fiscal Year 2017-18 on May 17, 2017 (Report No. 17-118 – effective July 1, 2017).

Pursuant to the correspondence received from MWPCC requesting the above increases, the rationale for sequential annual tuition increases is so MWPCC can be able to comply with the City's mandate to increase the employee minimum wage to Fifteen Dollars (\$15.00) per hour by 2020, as well as to retain quality staff. The Center conducted a survey among its staff to identify what could be done to improve the staff work environment at the Center, and the top two (2) items mentioned by Center staff were higher wages and better benefits.

As has been done previously, MWPCC submitted a written request to RAP dated March 13, 2018, for the Board's consideration in approving a tuition and fee increase for Fiscal Year 2018-19, attached hereto as Attachment 3. However, the 2018-19 request is for a proposed four percent (4%) increase, which exceeds the allowable maximum three and a half percent (3.5%) tuition and fee increase as stipulated in Section 6.10 of the Contract. As indicated by Attachment 3, the four percent (4%) tuition and fee increase request will allow MWPCC to increase staff wages and provide an increased health insurance subsidy from sixty percent (60%) to seventy-five percent (75%) which will essentially increase staff's net wages ("take-home pay").

Attachment 3 states that the four percent (4%) requested increase is well-supported by the Joy Picus Parent Advisory Committee, the Offices of Council Districts 4 and 13, and the majority of Joy Picus parents. There are seventy-eight (78) families enrolled at the Center (eighty-six [86] children including siblings). MWPCC submitted copies of sixty-six (66) signatures in support of the four percent (4%) increase, representing a parent rate of approval/support of eighty-five percent (85%). With the Board's approval of the proposed Second Amendment and four percent (4%) tuition and fee increase for Fiscal Year 2018-19 (effective July 1, 2018), MWPCC will also be authorized to submit a request for a subsequent tuition and fee increase of four percent (4%) for Fiscal Year 2019-20 (effective July 1, 2019).

Based on MWPCC's written request outlining the reasons for the requested four percent (4%) tuition and fee increase and level of demonstrated parent support, Staff recommends that the

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Board approve the proposed Second Amendment and attached 2018-19 Tuition and Fee Schedule.

FISCAL IMPACT STATEMENT

Approving the tuition and fee increases has no fiscal impact on the RAP General Fund.

This report was prepared by Joel Alvarez, Senior Management Analyst II, Partnership Division.

LIST OF ATTACHMENTS

- 1) Proposed Second Amendment to Contract No. 3538
- 2) Joy Picus Child Development Center Proposed 2018-19 Monthly Tuition and Fee Rates
- 3) Mount Washington Preschool and Childcare Centers, Inc. Tuition Increase Request Letter