



County of San Mateo

Inter-Departmental Correspondence

Department: HUMAN RESOURCES

File #: 18-249

Board Meeting Date: 3/27/2018

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Donna Vaillancourt, Human Resources Director
Theresa Rabe, Deputy Director

Subject: Agreements with the Airport Commission of the City and County of San Francisco and Palcare for Child Care Services

RECOMMENDATION:

Adopt a resolution:

- A) Authorizing an agreement with the City and County of San Francisco, through the Airport Commission, guaranteeing the County's receipt of revenue for childcare contract services for the term of July 1, 2018 through June 30, 2023, in an amount not to exceed \$6 million; and
- B) Waiving the Request for Proposals process and authorizing an agreement with Palcare to provide the childcare services that are funded by the City and County of San Francisco through the Airport Commission, and guaranteeing revenue received from the City and County of San Francisco to pay Palcare for childcare services for a term of July 1, 2018 through June 30, 2023, in an amount not to exceed \$6 million.

BACKGROUND:

Since 1991 the County has had collaborative agreements with the Airport Commission of the City and County of San Francisco (the "Airport Commission") and Palcare for the provision of child care services for Airport employees and the community. In order to facilitate the delivery of child care services, the County has agreed to act as a fiscal intermediary between the Airport Commission and Palcare and has separate agreements with each entity. The County benefits from this arrangement as children of County employees receive priority enrollment at Palcare (behind Airport employees).

Palcare, which has a separate long-term operating lease agreement with the County, utilizes a County-owned facility at 945 California Drive in Burlingame that accommodates the child care center.

DISCUSSION:

The most recent childcare service agreements with the Airport and Palcare will expire on June 30,

2018. The Airport and Palcare have both notified the County of their interest in entering into new five year Agreements from July 1, 2018 through June 30, 2023. The County's proposed agreements with the Airport and Palcare will enable Airport employees to continue to receive subsidized childcare services. The agreements will also continue to include a provision granting children of County employees priority enrollment status at the childcare center behind Airport employees.

Palcare has been designated by the Airport Commission as the childcare provider to receive their contract funding and Palcare has a longterm lease with the County for the County owned facility on California Ave. in Burlingame. Accordingly, Palcare is the only feasible choice at this time, and we recommend that your Board waive the RFP process.

Palcare's current collective bargaining agreement does not offer pay for jury duty service to employees who live within San Mateo County. Since Palcare is the only feasible provider, we recommend that your Board waive the jury duty service requirement.

The City and County of San Francisco uses its own Non-Discrimination and Equal Benefits clauses which are very similar to the County's clauses. Because it is the City and County of San Francisco and not the County who is responsible for all the payments under these agreements and because the language and intent is so similar, we recommend that your board agree to the use of San Francisco's Non-Discrimination and Equal Benefits clauses.

The agreements and resolution have been reviewed and approved by County Counsel as to form. The Contractor's insurance has been reviewed and approved by Risk Management.

Approval of these agreements contributes to the Shared Vision 2025 outcome of a Collaborative Community by collaboratively working together with the City and County of San Francisco to meet child care needs of employees of both organizations.

PERFORMANCE MEASURES:

Measure	FY 2017-18 Actual	FY 2018-19 Projected	FY 2019-20 Projected	FY 2020-21 Projected	FY 2021-22 Projected	FY 2022-23 Projected
# of Children Enrolled	200	210	220	240	240	240
% Airport Enrollment	30%	30%	31%	32%	32%	33%
% County Enrollment	4%	4%	5%	5%	5%	5%

FISCAL IMPACT:

The term of both agreements will be from July 1, 2018 through June 30, 2023. The annual amount payable by the Airport to Palcare through the County will be \$1.1 million which may be adjusted each year by the Airport. The amounts payable shall not exceed \$6 million. The Airport Commission is responsible for all payments to Palcare. There is no Net County Cost.