



CITY of CALABASAS

**CITY COUNCIL AGENDA REPORT**

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**DATE: AUGUST 31, 2020**

**TO: HONORABLE MAYOR AND COUNCILMEMBERS**

**FROM: JEFF RUBIN, DIRECTOR OF COMMUNITY SERVICES**

**SUBJECT: RECOMMENDATION TO APPROVE AMENDMENT NO. 3 TO THE EXISTING CHILD CARE, AFTER SCHOOL AND CAMP PROGRAM AGREEMENT WITH LITTLE LEARNERS, LLC TO INCLUDE AN EMPLOYMENT OFFER TO THE FOUR CURRENT CITY TEACHERS, A REPAYMENT PLAN AND A TWO-YEAR CONTRACT EXTENSION**

**MEETING DATE: SEPTEMBER 9, 2020**

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**SUMMARY RECOMMENDATION:**

It is recommended that City Council approve Amendment No. 3 to the existing Professional Services Agreement with Little Learners, LLC to include an employment offer to the four current City teachers, a repayment plan and a two-year contract extension.

**BACKGROUND/DISCUSSION:**

At the August 26, 2020 City Council Meeting, the Council approved the following staff recommendations which have been incorporated into Amendment No. 3 (Attachment A) of the existing Professional Services Agreement with Little Learners, LLC:

1. Through a reduction in force, eliminate the five remaining full-time positions on the City payroll (one supervisor and four teachers) effective September 30, 2020. This action removes the fully encumbered payroll cost of \$33,658.88 per month incurred by Little Learners. In discussions with Little

Learners, the owners will offer full-time positions to all four teachers who would see their positions eliminated as part of this recommendation. The current Supervisor will not be offered a position.

2. Reduce by half the March 2020 payment owed to the City when the facility was under a forced closure and no enrollment revenue was collected.
3. Waive both the April and May 2020 payments owed to the City by Little Learners as the facility was under a forced closure and no enrollment revenue was collected.
4. Require Little Learners to pay past (approximately 50% of March, 100% of June and July) and future payments (100% of August and September) as part of a repayment plan over a twenty-four (24) month period to begin in October 2020.
5. Beginning October 2020, require Little Learners to commence monthly rental payments to the City according to the current agreement of \$8,100.00 for the remainder of FY 2020-21 and \$8,400 for FY 2021-22.
6. Beginning October 2020, require Little Learners to commence the first of twenty-four (24) consecutive interest free monthly reimbursement payments in the amount of approximately \$7,800.00 to the City.
7. Add two (2) additional years to the Little Learners Professional Services Agreement that is set to expire in 2022. (Note: This allows for both current and future stability of the program as participants start to return).
8. Keep the Council fully informed of the status of the program on a regular basis through weekly activities reports.
9. Return to the Council with a staff report every six months, or sooner if needed, to formally review and address the status of the program, potential program modifications, etc.

A concern expressed by the Council at the August 26 meeting revolving around potential protections for the four current City teachers has been addressed by Little Learners. Specifically, the four current City teachers have been offered a position to work directly for Little Learners, and should they accept employment it will be effective October 1, 2020. The attached contract amendment states that Little Learners will continue the employment of the four City teachers as long as they follow the Little Learners employment policies as well as those set forth by the Department of Social Services which issues the child care license under which they operate. If a situation arises that would require Little Learners to undertake layoffs, it would do so using a seniority based metric. Any of the four City teachers that accept the employment offer extended by Little Learners would have their service time with the City count and credited toward seniority status.

**FISCAL IMPACT/SOURCE OF FUNDING:**

Through an established repayment plan Little Learners is required to make twenty-four (24) consecutive interest free monthly payments in the amount of \$7,811.04 to the City beginning in October 2020. Little Learners will also commence making facility rental payments as previously established beginning October 2020 and continuing monthly for the duration of the Professional Services Agreement.

Regarding the payments required of Little Learners, it is noted that staff will carefully monitor all such payments on a monthly basis. Should a monthly payment be missed for any reason, this situation will be immediately addressed with the Council at its next regularly scheduled meeting.

**REQUESTED ACTION:**

It is requested that City Council approve Amendment No. 3 to the existing Professional Services Agreement with Little Learners, LLC to include an employment offer to the four current City teachers, a repayment plan and a two-year contract extension.

**ATTACHMENTS:**

- Attachment A: Amendment No. 3 to the Little Learners, LLC Professional Services Agreement
- Attachment B: Letter from Little Learners