

65. Approve amended delegation of authority to the County Executive, or designee, to negotiate, execute, amend, or terminate agreements with Valley Health Foundation relating to administration of a childcare and early education infrastructure grant program in Santa Clara County, amending the delegated contract term start date from May 31, 2023 to no earlier than February 28, 2023, with no change to the maximum delegated amount, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority shall expire on December 31, 2026. (LA-1) (ID# 24-5289)



24-5289

DATE: April 16, 2024 (Item No. 1)

TO: Board of Supervisors

FROM: Sarah Duffy, Chief Children's Officer
Arcel V. Blume, Director of Strategic Initiatives, OCFP

SUBJECT: Retroactive Amended Delegation of Authority for Santa Clara County Childcare Expansion Grant Program

RECOMMENDED ACTION

Approve amended delegation of authority to the County Executive, or designee, to negotiate, execute, amend, or terminate agreements with Valley Health Foundation relating to administration of a childcare and early education infrastructure grant program in Santa Clara County, amending the delegated contract term start date from May 31, 2023 to no earlier than February 28, 2023, with no change to the maximum delegated amount, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority shall expire on December 31, 2026. (LA-1)

FISCAL IMPLICATIONS

There would be no additional impact to the County General Fund as a result of approving the recommended action. American Rescue Plan Act (ARPA) funds were allocated for the childcare and early education infrastructure grant program as part of Fiscal Year 2022-2023 Appropriation Modification No. 154, which was approved by the Board on February 28, 2023 (Item No. 8).

CONTRACT HISTORY

On February 28, 2023 (Item No. 8), the Board approved a single-source exception relating to agreements with Valley Medical Center Foundation, now known as Valley Health Foundation (VHF), for administration of a childcare and early education infrastructure grant program in Santa Clara County. As part of this item, the Board also approved a delegation of authority to the County Executive, or designee, to negotiate, execute, amend, or terminate agreements with VHF relating to the grant program, in an amount not to exceed \$15,000,000 and a contract term that starts no earlier than July 1, 2023, with delegation of authority expiring December 31, 2026.

On May 16, 2023 (Item No. 43), the delegated contract term start date for agreements with VHF relating to administration of the grant program was amended from July 1, 2023, to no

Approved: 04/16/2024

earlier than May 31, 2023, with no other changes. This retroactive amended delegation of authority would amend the delegated contract term start date from May 31, 2023, to no earlier than February 28, 2023, with no other changes.

REASONS FOR RECOMMENDATION AND BACKGROUND

Reasons for Request of Retroactive Amended Delegation of Authority

Although delegations of authority are generally discouraged except under certain circumstances, this retroactive amended delegation of authority is necessary because the County requested work from VHF prior to contract execution that has been invoiced and paid. Approving this retroactive amended delegation of authority would clarify the delegated contract term so that VHF can continue to successfully administer the Santa Clara County Childcare Expansion Grant Program (“Grant Program”).

A retroactive amended delegation of authority with a delegated contract term start date effective February 28, 2023, the date of Board approval for the single-source procurement, would enable VHF to appropriately include in the invoice for the first deliverable reimbursements for preliminary work that was needed to prepare for the release of the Grant Program’s Notice of Funding Availability. This critical work, which occurred at the County’s direction concurrently with contract negotiations,¹ included consulting with the County on equity criteria for the selection of grantees; hiring a subject matter expert in construction and permit requirements; and collaborations with cities’ planning, building, and finance departments. As ARPA funds are required to be obligated by December 31, 2024, and expended by December 31, 2026, there was an urgency to start work prior to executing an agreement with VHF so that adequate time would be provided to design a supportive process for small business childcare providers to apply for grant funds and to begin their construction and operational projects upon grant approval.

Background

The COVID-19 pandemic highlighted the essential role that childcare plays in supporting children, families, businesses, and a thriving economy. Working families cannot engage in a recovering economy in Santa Clara County without access to quality childcare. To address childcare disruptions and gaps, the Grant Program was developed with a focus on supporting center-based and family childcare home (FCCH) providers who may be able to re-start or add slots to their programs. On March 25, 2024, the Board received an off-agenda report relating to an update on the Grant Program, which included information on outreach efforts, grant application submissions, a provider survey, and next steps.²

CHILD IMPACT

The Grant Program has a positive impact on children and youth—as measured by the County indicators “**Safe and Stable Families**” and “**Healthy Lifestyle**”—through addressing the urgent need for childcare accessibility in Santa Clara County, which was impacted by the COVID-19 pandemic. It also helps the County address systemic public health and economic

¹ Contract negotiations are not chargeable to agreements between VHF and the County.

² On April 4, 2024, the Board received a revised version of this report (with corrections to the second paragraph of Page 2).

Board of Supervisors: Sylvia Arenas, Cindy Chavez, Otto Lee, Susan Ellenberg, S. Joseph Simitian

County Executive: James R. Williams

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challenges that have contributed to the unequal impact of the pandemic on children and youth.

SENIOR IMPACT

The Grant Program has a positive impact on seniors, particularly those who are caregivers of young children, licensed center-based or FCCH providers, or childcare and early education teachers/workers in Santa Clara County.

SUSTAINABILITY IMPLICATIONS

The Grant Program has positive sustainability implications—as measured by the County indicators “**Enhancing social equity and safety**” and “**Promoting a vibrant economy.**”

CONSEQUENCES OF NEGATIVE ACTION

Without approval, the delegated contract term would not be amended to include time when VHF provided services at the County’s direction prior to contract execution.

STEPS FOLLOWING APPROVAL

The Clerk of the Board is asked to notify Arcel Blume, Melissa Luu, Clinton Duerksen, and Van Dinh, Office of the County Executive.