

LIGHTHOUSE FOR CHILDREN, INC. BOARD MEETING

Date: Wednesday, August 6, 2014

Time: 10:00 am

550 E. Shaw
230A Room
Fresno, CA 93710

AGENDA

ITEM	SUBJECT	PRESENTER
1.	CALL TO ORDER	Chair Perea
2. Action Pg. 1	APPOINT THE LIGHTHOUSE FOR CHILDREN INTERIM EXECUTIVE DIRECTOR WITH AUTHORIZATION TO SIGN FOR THE LIGHTHOUSE FOR CHILDREN ENTITY Supporting Document	Chair Perea E. Reyes, Staff
3. Action Pg. 2	APPROVE MINUTES FROM JUNE 18, 2014, REGULAR BOARD MEETING Supporting Document	E. Reyes, Staff
4. Action Pg. 4	REVIEW BUDGET VS. ACTUAL REPORT AS OF MAY 30, 2014 Supporting Document	E. Reyes, Staff
5. Action Pg. 6	REVIEW AND APPROVE VALUE ENGINEERING (VE) CHANGE ORDER REQUEST (COR) 022, WITH DURHAM CONSTRUCTION, THE GENERAL CONTRACTOR (GC) FOR THE LIGHTHOUSE FOR CHILDREN (LFC) BUILDING PROJECT, IN AN AMOUNT NOT TO EXCEED \$32,603.42	E. Reyes, Staff S. Rapada, Staff
6. Action	REVIEW AND APPROVE A LIGHTHOUSE FOR CHILDREN DEDICATION PLAQUE IN AN AMOUNT NOT TO EXCEED \$1,200	E. Reyes, Staff
7. Informational	LIGHTHOUSE FOR CHILDREN PROJECT STATUS REPORT	E. Reyes, Staff
8.	PUBLIC COMMENT	Chair Perea
9.	ADJOURNMENT	Chair Perea

NOTE: If you need disability modification(s) and/or other accommodation(s) in order to participate in this meeting, please contact the office at (559) 241-6515 at least 48 hours prior to the start of the meeting. Government Code Section 54954.2(a).

LIGHTHOUSE FOR CHILDREN, INC.
BOARD MEETING

August 6, 2014 – 10:00 am

**First 5 Fresno County Offices
550 E. Shaw Ave.
Fresno, CA 93710**

AGENDA ITEM NO.2

TO: Lighthouse for Children Board Members

FROM: Emilia Reyes, Staff

SUBJECT: Appoint the Lighthouse for Children Interim Executive Director with Authorization to Sign for the Lighthouse for Children Entity

RECOMMENDED ACTION:

Appoint the Lighthouse for Children Interim Executive Director and authorize the Interim Executive Director to take such action to perfect the corporation.

REASON FOR RECOMMENDED ACTION:

Background: The previously appointed Executive Director's last day with the agency was July 11, 2014. This leaves the LFC agency in need of an Executive Director.

Pursuant to Section 8.01 of the Bylaws of Lighthouse for Children (LFC), the Board may employ an Executive Director who shall be the administrative head of the LFC entity. Among other duties, the Executive Director shall serve as the administrator of all day-to-day, including operating policies and procedures, and shall make recommendations to the LFC Board for its consideration regarding broad policies of the agency. The Interim Executive Director shall be responsible to the Board. Currently Lighthouse for Children needs an Interim Executive Director to continue to maintain the corporation while First 5 Fresno County appoints a new Executive Director.

Once the Interim Executive Director is appointed, LFC can continue to develop programs and partnerships. The LFC will need someone to perform preliminary matters such as acting as a point person for prospective partners and recipients of the agency's programs and services. This action will give them the authorization to sign for the Lighthouse for Children entity.

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BOARD MEETING

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AGENDA ITEM NO.3

AGENDA ITEM 3

RECOMMENDED ACTION:

Approve Board Minutes – June 18, 2014

**ACTION SUMMARY MINUTES
June 28, 2014 — 4:00 P.M.**

Present: Henry Perea (Chair), Shannon Koontz, Hugo Morales, Lisa Nichols, Stacy Sablan

Absent: None.

Staff: Kendra Rogers, Emilia Reyes, Olivia Arnold, J.D. Garza, Alix Hillis, Harim Martinez, Steve Rapada, Courtney Shapiro, Ken Price (Legal Counsel)

1. CALL TO ORDER

2. APPROVE MINUTES FROM MAY 28, 2014 REGULAR BOARD MEETING

Public Comment: None heard.

Motion by: Morales Second by: Koontz
Ayes: Perea, Koontz, Morales, Nichols, Sablan
Noes: None heard.

3. REVIEW BUDGET VS. ACTUAL REPORT AS OF APRIL 30, 2014

BOARD MEMBER NICHOLS ASKED THAT STAFF ADD THE TOTAL BUDGET SAVINGS AMOUNT TO THE BUDGET REPORT AT ALL BOARD MEETINGS IN ORDER FOR THE PUBLIC TO CLEARLY SEE HOW MUCH IS BEING SAVED.

Public Comment: None heard.

Motion by: Nichols Second by: Koontz
Ayes: Perea, Koontz, Morales, Nichols, Sablan
Noes: None heard.

4. REVIEW AND APPROVE A CONTRACT AUGMENTATION WITH KITCHELL/CEO, FOR CONSTRUCTION PHASE CONSULTING SERVICES FOR AN ADDITIONAL AMOUNT OF \$17,000 AND DELEGATE EXECUTION AUTHORITY TO THE BOARD CHAIR AND EXECUTIVE DIRECTOR

Public Comment: None heard.

Motion by: Sablan
Ayes: Perea, Koontz, Morales, Nichols, Sablan
Noes: None heard.

Second by: Nichols

5. LIGHTHOUSE FOR CHILDREN PROJECT STATUS REPORT

BOARD MEMBER MORALES STATED THAT HE SPOKE WITH A REPRESENTATIVE FROM THE CALIFORNIA ENDOWMENT ABOUT THE POSSIBILITY OF THEIR ORGANIZATION OCCUPYING THE THIRD FLOOR OF THE LIGHTHOUSE FOR CHILDREN FACILITY. HE SAID THAT HE HAS NOT HEARD BACK FROM THE ORGANIZATION, BUT WANTED TO INFORM THE BOARD THAT HE HAD SPOKEN WITH THEM.

CHAIR PEREA ASKED THE BOARD AND STAFF FOR COMMENT ABOUT THE POSSIBILITY OF HAVING THE FRESNO COUNTY PUBLIC LIBRARY ADMINISTRATIVE OFFICE AS THE TENANT ON THE THIRD FLOOR OF THE FACILITY.

Public comment: none heard.

NO ACTION REQUIRED.

6. PUBLIC COMMENT

BOARD MEMBER MORALES ASKED LEGAL COUNSEL HOW OR IF THE LIGHTHOUSE FOR CHILDREN BOARD SHOULD ACT OR RESPOND REGARDING THE OUTCOME OF THE JUNE 17, 2014 FRESNO COUNTY BOARD OF SUPERVISORS MEETING.

KEN PRICE, LEGAL COUNSEL, STATED THAT HE IS NOT SURE IF THERE IS ANYTHING THE BOARD CAN DO AS OF NOW, BUT IF SOMETHING ARISES STAFF WILL CONTACT THE BOARD.

Public Comment: None Heard.

7. ADJOURNMENT

LIGHTHOUSE FOR CHILDREN, INC.
BOARD MEETING

August 6, 2014 – 10:00 am

**First 5 Fresno County Offices
550 E. Shaw Ave.
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AGENDA ITEM NO.4

TO: Lighthouse for Children Board Members

FROM: Emilia Reyes, Interim Executive Director

SUBJECT: Review and Approve Budget vs. Actual Report for Period Ending May 31, 2014

RECOMMENDED ACTION:

Review and approve Budget vs. Actual Report for period ending May 31, 2014.

REASON FOR RECOMMENDED ACTION:

This item is intended to keep the Board informed of the Lighthouse for Children facility budget and financial activity as of May 31, 2014.

KEY POINTS:

Overall Project Budget (28%) – Project costs are within budget limits.

- Construction is on schedule.

A request for advanced funds was submitted to the New Market Tax Credit Investor, JPMorgan Chase. The funds are to reimburse contractors for expenses incurred as of May 31, 2014. Lighthouse for Children received the funds on July 16, 2014. As a result, all contractors received payment on July 18, 2014 and these expenses will be reflected on the July 2014 budget vs. actual report to be presented in the September 2014 Board Meeting.

FISCAL IMPACT:

All expenses are within budget constraints.

LIGHTHOUSE FOR CHILDREN
BUDGET VS. ACTUAL
AS OF MAY 31, 2014

Revenues				
	<u>Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance</u>	<u>% of Budget</u>
Revenues	\$16,285,375	\$16,285,375	\$0	100%
Interest Revenue	\$20,000	\$8,686	\$11,314	43%
LIIF Interest Revenue	\$700	\$209	\$491	30%
CVNMTC Interest Revenue	\$700	\$256	\$444	37%
Total Revenues	\$16,306,775	\$16,294,525	\$12,250	99.9%

Project Budget				
	<u>Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance</u>	<u>% of Budget</u>
Land Costs				
Land	\$601,792	\$601,672	\$120	100%
Total Land Costs	\$601,792	\$601,672	\$120	100%

Hard Costs				
Shell Contract	\$9,554,401	\$1,660,888	\$7,893,513	17%
Sitework (Playground, Landscape)	\$310,000	\$906	\$309,094	0%
Furniture, Fixtures, and Equipment	\$910,000	\$202,448	\$707,552	22%
Excess Funds from Reduced Contract	\$717,000	\$8,618	\$708,383	1%
Hard Cost Contingency	\$463,749	\$0	\$463,749	0%
Total Hard Costs	\$11,955,150	\$1,872,860	\$10,082,290	16%

Soft Costs				
Architectural/Engineering	\$714,000	\$660,872	\$53,128	93%
Soft Costs	\$399,407	\$155,445	\$243,963	39%
Permits and Fees	\$161,867	\$160,626	\$1,240	99%
Move-in	\$87,140	\$56,141	\$30,999	64%
Project Management Consultants	\$219,580	\$61,556	\$158,024	28%
Title/Closing Inspections & Economic Study	\$63,760	\$41,408	\$22,352	65%
CDE Expense Reimbursements	\$26,600	\$26,600	\$0	100%
NMTC Transaction Cost	\$555,321	\$555,321	\$0	100%
Developer Fee @ Closing	\$326,989	\$326,989	\$0	100%
Soft Cost Contingency	\$206,961	\$0	\$206,961	0%
Total Soft Costs	\$2,761,625	\$2,044,959	\$716,667	74%

CDE Fees and Reserves				
CVN Fee Reserve Deposits	\$373,700	\$11,267	\$362,433	3%
LIIF Fee Reserve Deposits	\$367,500	\$23,670	\$343,830	6%
Total CDE Fees and Reserves	\$741,200	\$34,938	\$706,262	5%

Total Project Costs	\$16,059,767	\$4,554,428	\$11,505,339	28%
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Contract Awards				
	<u>Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance</u>	<u>% of Budget</u>
Durham Construction	\$9,483,000	\$1,660,888	\$7,822,112	18%
New Tangram LLC	\$675,000	\$202,448	\$472,552	30%
Taylor Group Architects	\$708,000	\$576,427	\$131,573	81%
Central Valley New Market Tax Credit - CDE Fees	\$373,700	\$107,390	\$266,310	29%
Low Income Investment Fund - CDE Fees	\$367,500	\$55,000	\$312,500	15%
Krazan & Associates	\$82,000	\$38,655	\$43,345	47%
Kitchell/CEM, Inc.	\$150,000	\$16,470	\$133,530	11%
Louis Torelli	\$50,000	\$44,100	\$5,900	88%
Laloo Weeks LLP	\$28,500	\$4,000	\$24,500	14%
County of Fresno Department of Public Works	\$27,500	\$7,400	\$20,100	27%
Pamela Shaw	\$7,000	\$5,870	\$1,130	84%
Comprehensive Planning Associates	\$6,000	\$6,000	\$0	100%
Total Contract Awards	\$11,958,200	\$2,724,648	\$9,233,552	23%

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BOARD MEETING

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**First 5 Fresno County Offices
550 E. Shaw Ave.
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AGENDA ITEM NO.5

TO: Lighthouse for Children Board Members

FROM: Emilia Reyes, Interim Executive Director

SUBJECT: Review and Approve Value Engineering (VE) Change Order Request (COR) 022, with Durham Construction, the General Contractor (GC) for the Lighthouse for Children (LFC) Building Project, in an Amount Not to Exceed \$32,603.42

RECOMMENDED ACTION:

Approve COR 022 for the addition of the originally designed Brick Veneer, with Durham Construction the GC for the LFC building project, in an amount not to exceed \$32,604 and Delegate execution authority to Shannon Koontz, Board Member, and Emilia Reyes, Interim Executive Director.

REASON FOR RECOMMENDED ACTION:

Background: To reach the goal of bringing the project bids at or under budget, value engineering (VE) was performed on the building plans. The result included the removal of brick veneer from the East & South elevations of the building. In November of 2013, Durham Construction was awarded the General Contractor (GC) contract to build the Lighthouse for Children (LFC) facility and construction began in January 2014.

With the success of the VE, the winning GC bid was \$9,483,000, which represented \$717,000 less than the originally approved budget amount of \$10,200,000 for hard costs. The \$717,000 was then approved under the New Market Tax Credit (NMTC) additional funds for an add-on line item. The LFC board designated Board Member Koontz as the designated LFC Board Change Order Request (COR) signer.

In the May 28, 2014 LFC Board meeting, staff brought back COR 11.21, due to the high dollar amount, Board Member Koontz felt more comfortable seeking the entire board approval for the COR which totaled \$148,793. The entire amount of the COR was then approved by the LFC Board during the meeting. Additionally, staff asked for clarification as to the authority given to Board Member Koontz to approve all future CORs with quick turnaround time and that fall within the add-on line item budget in order to deliver the project on time. Board Member Koontz also asked for this clarification. The Board gave unanimous support in clarifying the granting of this authority.

In following the COR process, staff presented each COR to Board Member Koontz only after the review and approval signatures by the construction team. Board Member Koontz did not, however, feel comfortable authorizing COR 022 given concerns were expressed to her by Board Chair Perea regarding the justification of the COR. Chair Perea expressed a desire to transfer extra funds to First 5 Fresno County funded programs and services and staff clarified that it is not possible, give limitations on the New Market Tax Credit regulations Staff explained COR 022 is a part of the value engineering and is within the value engineering Add-Ons line item budget.

Staff informed Board Member Koontz and Chair Perea that part of the approval process through the City of Fresno includes having approval from the Fulton Lowell Specific Plan Advisory Committee. This group gives approval throughout Downtown Fresno for projects to gain city building permits if projects are within the Fulton Lowell Specific Plan Area. When initially presented the LFC project was within this specific plan area and was approved by the Fulton Lowell Specific Plan Advisory Committee. Deleting multiple items from the project was a disappointment to the committee. This brick veneer, one of the pieces removed within COR 022, was one item that the Fulton Lowell Committee truly wanted to be included in the project as it would make the plan cohesive with surrounding buildings. Staff believes it is in the best interest of the LFC to reintroduce the brick veneer into the project to foster a positive, continued working relationship with the committee, as the LFC may be required to come before the committee for the approval of LFC phase two in the future.

Chair Perea and Board Member Koontz expressed the opinion that the brick veneer is cosmetic and they would not be in favor of adding it back in to the project. They recommended staff bring it as an agenda item to the LFC Board for final decision.

Staff is seeking board approval of \$32,603.42 for COR 022 which is detailed below:

- COR 022 in the amount of \$32,603.42 to revise the stucco finish on the East & South Elevations to brick veneer. The brick veneer was the original design of the exterior elevations of Phase One of the LFC and ties to the elevation concept of the future Phase two. Additionally the brick veneer application is consistent with other buildings within the adjacent area.

Procurement Procedure and Process: The COR process was followed as outlined in the GC contract under Article V for changes in the work to be done under the agreement and it was not required to procure for these alterations.

FISCAL IMPACT:

If approved, the recommended amount, not to exceed \$32,603.42, will be allocated from the approved Lighthouse for Children Facility Budget – Hard Cost NMTC Additional Funds from Add Ons line item.

FUTURE IMPLICATIONS:

If approved, Durham Construction Company, Inc. will work with the LFC construction team to design and install this VE re-installation within the construction phase timeline.

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BOARD MEETING

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AGENDA ITEM NO.6

TO: Lighthouse for Children Board Members
FROM: Emilia Reyes, Interim Executive Director
SUBJECT: Review and Approve a Lighthouse for Children Dedication Plaque in an Amount Not to Exceed \$1,200

RECOMMENDED ACTION:

Approve the design and content of a bronze dedication plaque to be placed in the Lighthouse for Children facility, in an amount not to exceed \$1,200 and delegate execution authority to Emilia Reyes, Interim Executive Director.

REASON FOR RECOMMENDED ACTION:

Background: There have been various key people involved in the development and approval of the Lighthouse for Children (LFC) project. Typically a building project of this magnitude includes the installation of a dedication plaque upon completion to recognize those people who have been vital to the completion of project.

The dedication plaque would include recognition of current LFC Board Members, First 5 Fresno County (F5FC) Commissioners, the Executive Director as well as past F5FC Commissioners and Executive Director, who were all involved in the development of the project.

Additionally, it is practice to acknowledge the Architect and General Contractor. Due to the complexity of this project and the partnerships that have formed to bring this project to reality, staff is recommending that this plaque also include key F5FC/LFC personnel, Construction Management, Engineering personnel and the Design/ Project Consultants.

Staff is seeking board approval of \$1,200 for a dedication plaque which is detailed below:

- The dedication plaque will be bronzed with a dark brown background, bronze trim and bronze raised lettering.

Procurement Procedure and Process: The informal procurement process was followed as outlined in the purchasing policy and procedures manual.

FISCAL IMPACT:

If approved, the recommended amount, not to exceed \$1,200, will be allocated from the approved Lighthouse for Children Facility Budget – Soft Cost NMTC Move-in line item.

FUTURE IMPLICATIONS:

If approved, staff will work with the chosen vendor to design and install this dedication plaque at the completion of the LFC construction project.