

Exhibit to Agenda Item # 3

Provide update on the Multi-Party SMUD, UC Davis Health, and Sacramento State/University Enterprises, Inc. (UEI) Child Development Center, including construction, cost projections, schedule, and staff and family transition.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, March 16, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

Purpose

To provide an update on the Child Development Center Project

- Renovations
- Operational Readiness
- Families & Staff



Agenda

- I. Project Background / COVID Impact on Childcare
- II. New Center Design & Update
- III. Project Cost Estimate Update
- IV. New Operator Selection
- V. Project Timeline
- VI. Family Communications
- VII. Questions and Discussion



COVID Impact on Childcare

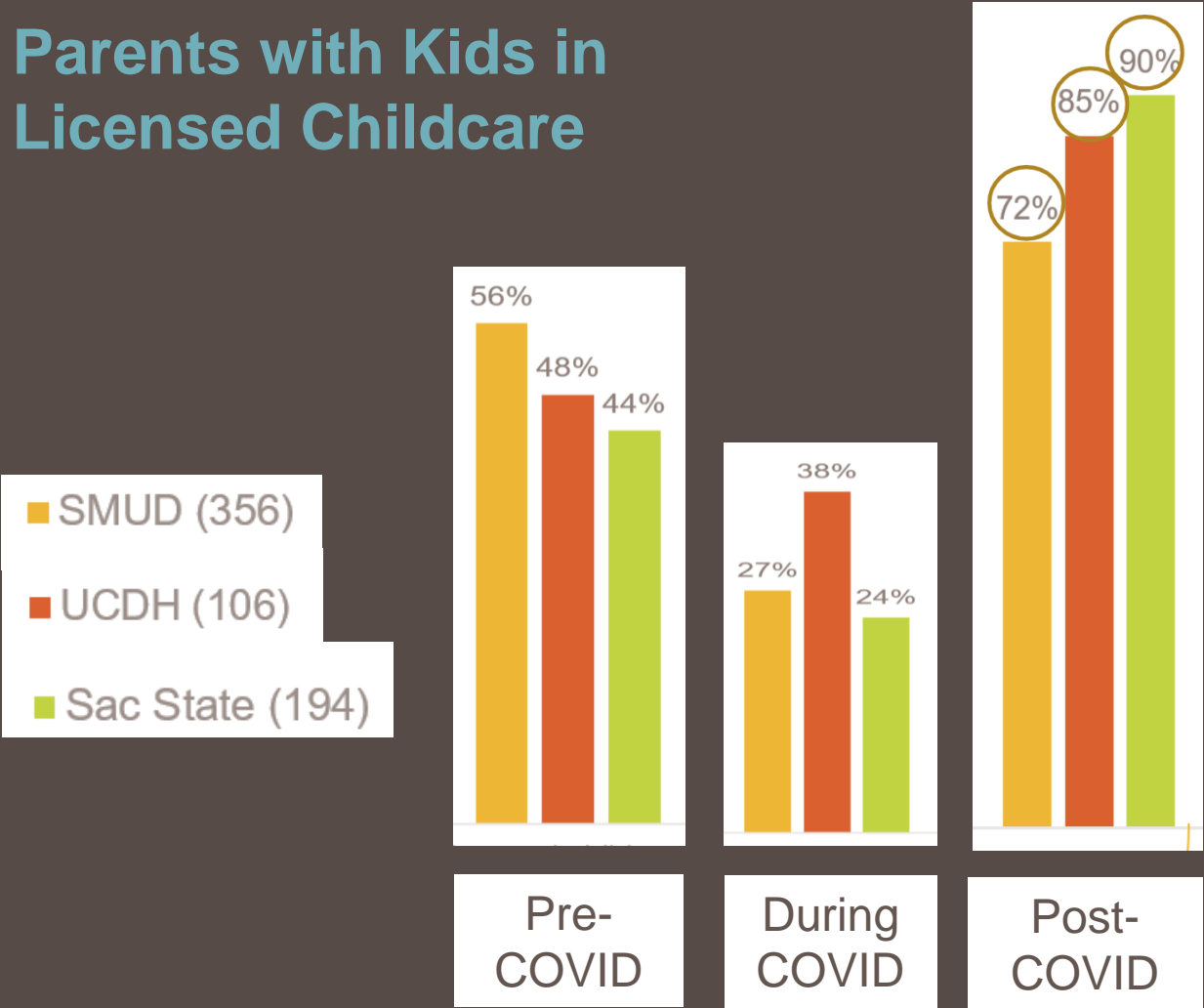
Sacramento Childcare and COVID-19 Benchmarking Survey by Childcare Consultant Fran McIntyre

- 25 childcare centers have permanently closed since March 2020*. This represents 6% of area centers and nearly 2,000 childcare slots.
- 46 (10%) centers are temporarily closed but anticipate re-opening by May 2021*.
- For centers that remain open, including the Lighthouse, enrollment is 70-80% per CDC group size guidelines

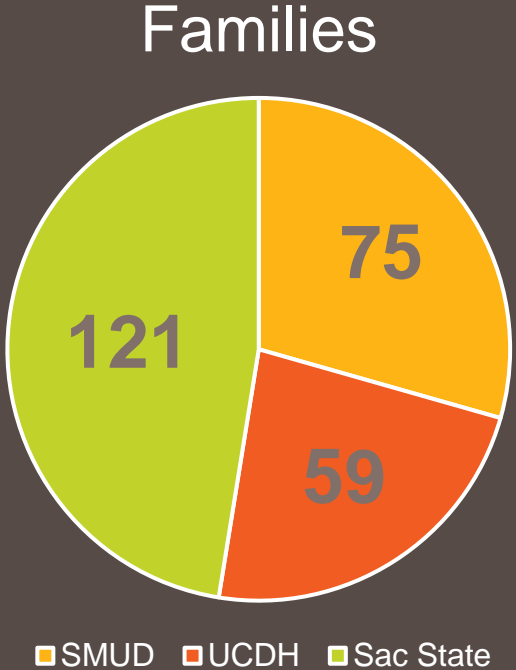
**Per Sacramento County Community Care Licensing, March 2021*

SMUD COVID Childcare Survey of Partners

Parents with Kids in Licensed Childcare



Interest in the New Child Development Center



Age	Total
0-1 year	87
1-2 YO	83
2-3 YO	66
3-5 YO	106
Total Children	342

Innovative Solution

A partnership between SMUD, UC Davis Health and Sacramento State that:

- ✓ Leverages collective resources to expand high-quality childcare services for our employees and community we all serve
- ✓ Doubles current capacity up to 207
- ✓ Offers National Association for the Education of Young Children (NAEYC) accreditation
- ✓ Focuses on children, families & staff to create a quality experience for all

Cross-Functional Team that harnesses expertise from:

- ✓ Total Rewards, HR, D&I
- ✓ Childcare Consultant
- ✓ Treasury, Accounting
- ✓ Procurement
- ✓ Legal
- ✓ Communications
- ✓ Facilities
- ✓ Market Research
- ✓ Commercial Delivery

Innovative Solution Delivers

- ✓ Recruitment and Retention
 - Better meet the childcare needs of current and future SMUD employees
- ✓ Work-Life balance
 - Provide more childcare close to SMUD main campus
- ✓ Goodwill toward current Lighthouse families, operator and staff
 - Ensuring continuity of care for families
 - Ensuring employment opportunity for staff
 - Ensuring wages/benefits will remain at comparable levels or better
- ✓ Opportunity to partner with other large, local, public employers in the community on a synergistic solution

New Center Design

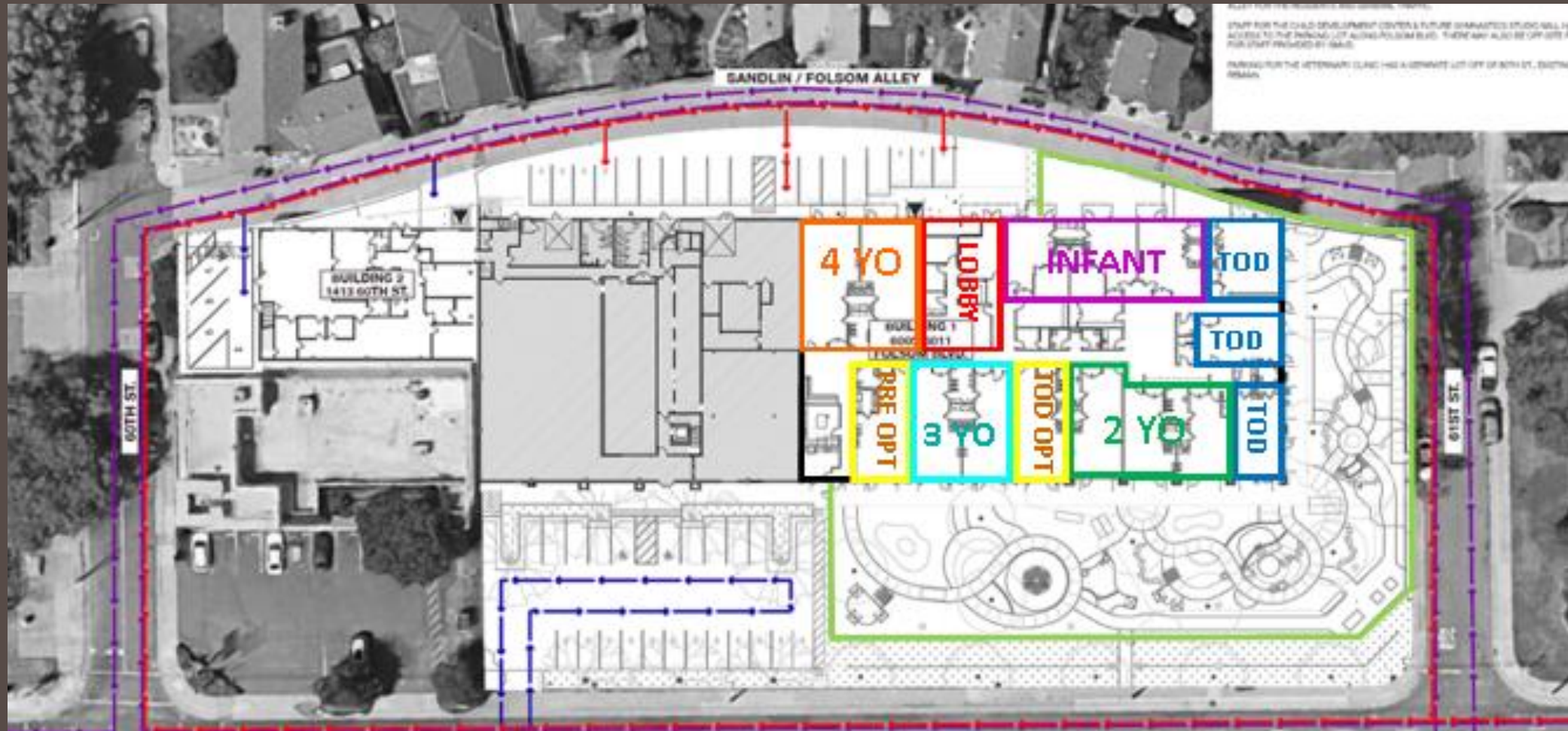
Current View of 6011 Folsom Blvd



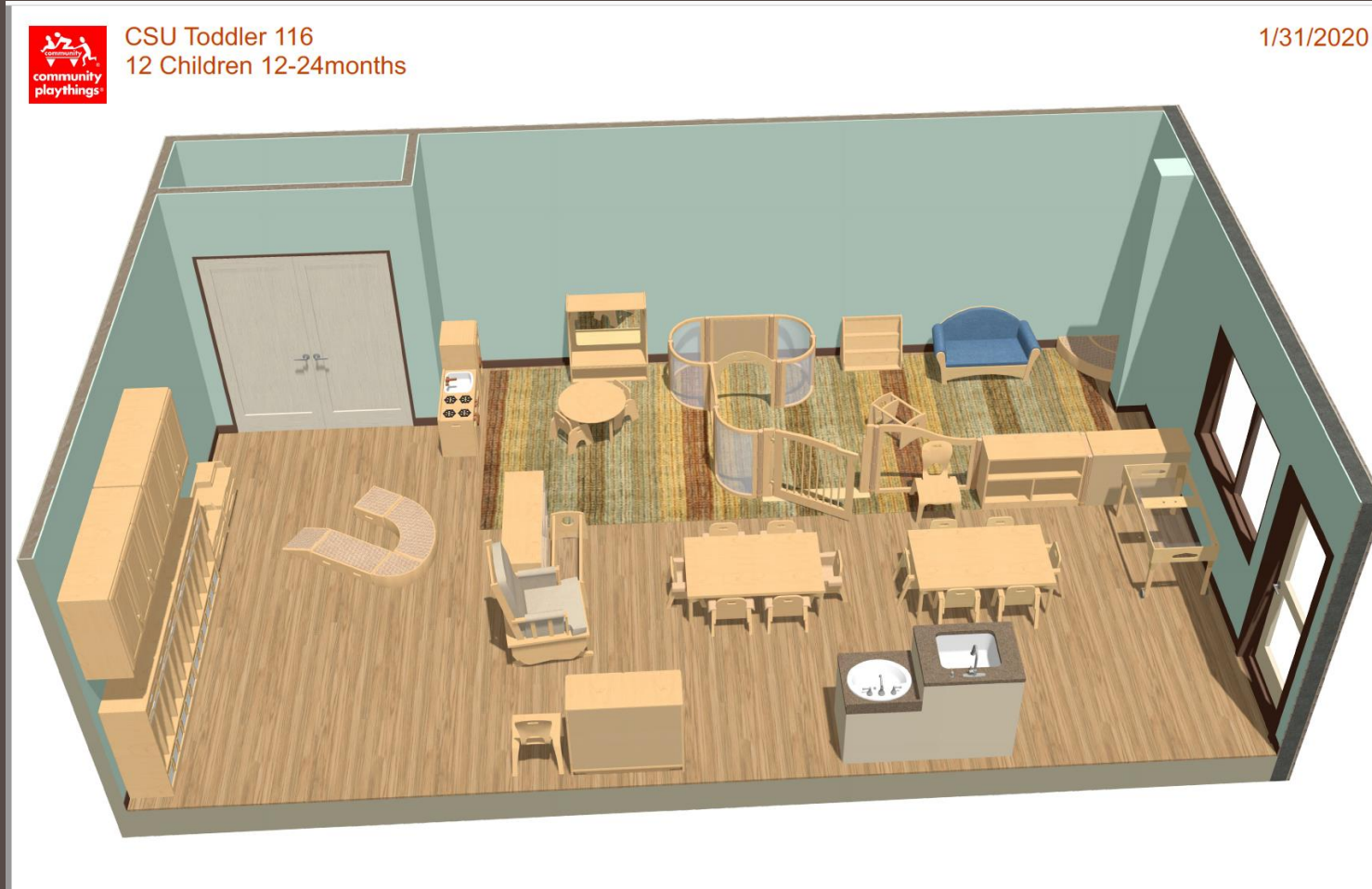
New Center Exterior

<p> KELLY MOORE - KM5341 SUNDOWN LOCATIONS: • STUCCO AND AWNING FASCIA/ BRACING @ TODDLER OPT. & 2 Y/O CLASSROOM ENTRIES</p> <p> KELLY MOORE - KM5453 SUNDAY BEST LOCATIONS: • STUCCO AND AWNING FASCIA/ BRACING @ TODDLER CLASSROOM ENTRIES</p> <p> KELLY MOORE - KM5593 PURPLE DRAGON LOCATIONS: • STUCCO AND AWNING FASCIA/ BRACING @ INFANT CLASSROOM ENTRIES</p> <p> KELLY MOORE - KM5005 CIELO LOCATIONS: • STUCCO AND AWNING FASCIA/ BRACING @ 4 Y/O CLASSROOM ENTRIES</p>	<p> KELLY MOORE - KM5032 SOFT BLUE LOCATIONS: • STUCCO • WALL BRICK • COLUMNS • DIAGONAL BRACING</p> <p> KELLY MOORE - KM507 CLOUD WHITE LOCATIONS: • COLUMNS BRICK • STUCCO • ROOF FASCIA</p> <p> KELLY MOORE - KM5055 CABANA BAY LOCATIONS: • AWNING FASCIA & BRACING @ MAIN ENTRIES</p> <p> KELLY MOORE - KM5320 HELLO YELLOW LOCATIONS: • STUCCO AND AWNING FASCIA/ BRACING @ PRE-SCHOOL OPT. & 3 Y/O CLASSROOM ENTRIES</p>	 <p>NORTH ENTRY VIEW</p>	<p><small>DESIGNED BY: KELLY MOORE ASSOCIATES ARCHITECTS</small></p> <p>CHRIS DORNAN, AIA 229 FLAMINGO ROAD MILL VALLEY, CA 94541 415.380.7514 415.380.7515 FAX CDMOORNA@GMAIL.COM</p>					
<p> BARN LIGHT PENDANT, 1 CENTERED @ EACH AWNING, COLOR TO MATCH ACCENT PAINT</p> <p> BRICK VENEER WALLS PAINTED GENERAL BUILDING COLOR</p>	 <p>NORTHEAST VIEW</p>	<p>SACRAMENTO CHILD DEVELOPMENT CENTER 8011 FOLSOM BLVD SACRAMENTO, CA 95819 APRIL 098-0274-014-0000</p>						
			<p>PLANNING SUBMITTAL</p> <p>(N) EXTERIOR RENDERINGS</p> <p>REVISIONS</p> <table border="1"> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> </table> <p>DATE: 10/24/19 SHEET</p>					

New Center Sight Design and Floorplan



Classroom Design



New Center Playground Design



Renovation Updates

Activities Completed:

- The design plan and permits for the construction project have been reviewed by the City of Sacramento and we're awaiting final approval
- Application for SMUD electrification has been completed

Landscape Enhancements provided by UC Davis Landscape Architecture Design student

✈ Create a children's landscape that is:

- Edible
- Pollinator-friendly
- Enriching child development
- Connecting children to nature
- Inclusive



Project Cost Estimate Update

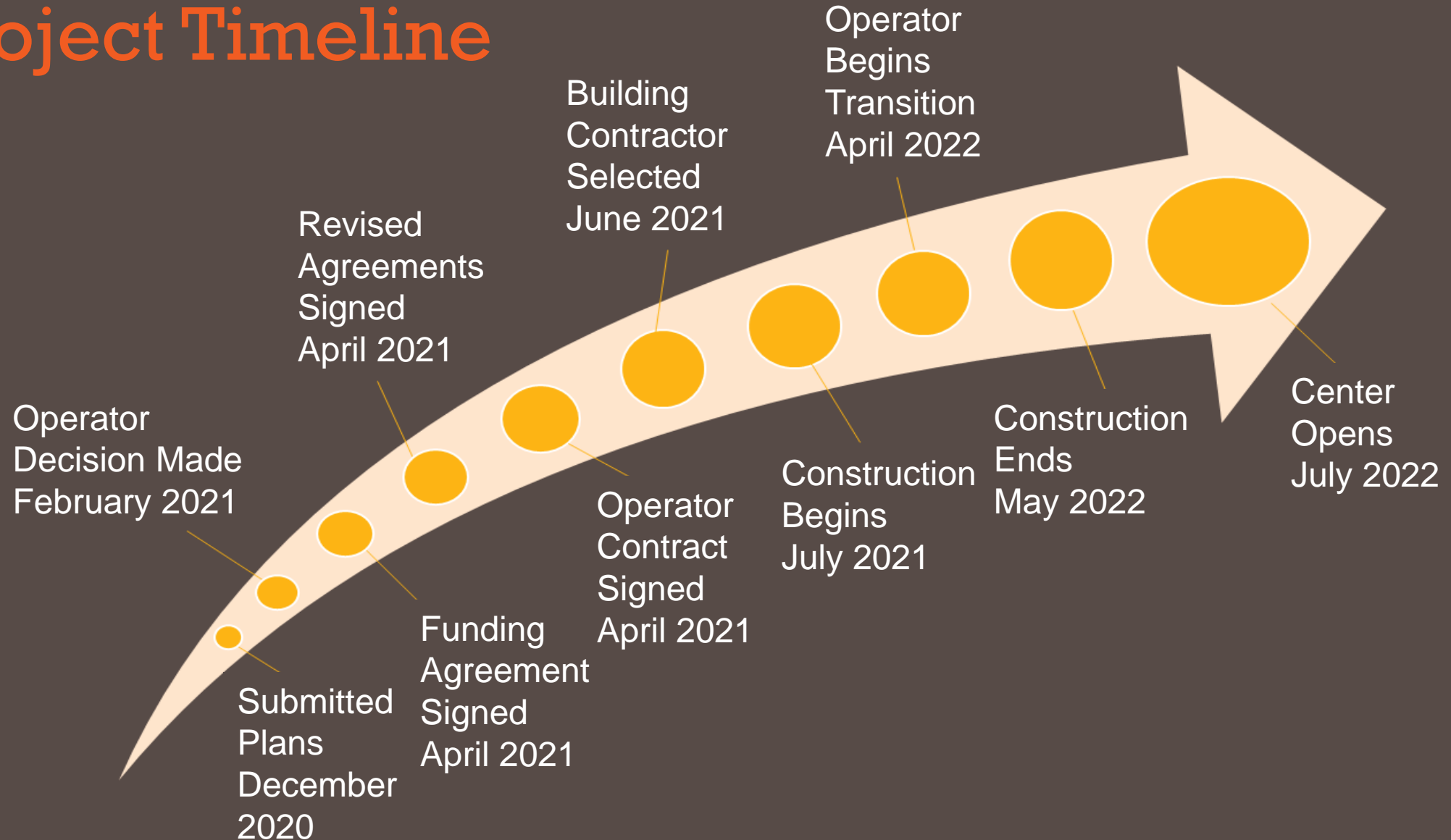
- Project has been delayed due to UEI's* funding challenges associated with the impacts of the pandemic
- UEI hopes to resolve its funding challenges later this year due to possible CARES relief funds to Sacramento State.
- 2019 Initial Estimate - \$5.4M, SMUD Share – \$1.13M
 - UEI has already spent \$800,000
- 2020 Revised Estimate - \$9.0M, SMUD Share – \$2.0M
- 2021 Revised Estimate – TBD; by end of the month

**UEI – University Enterprises, Inc. Facilities arm of Sacramento State*

New Operator

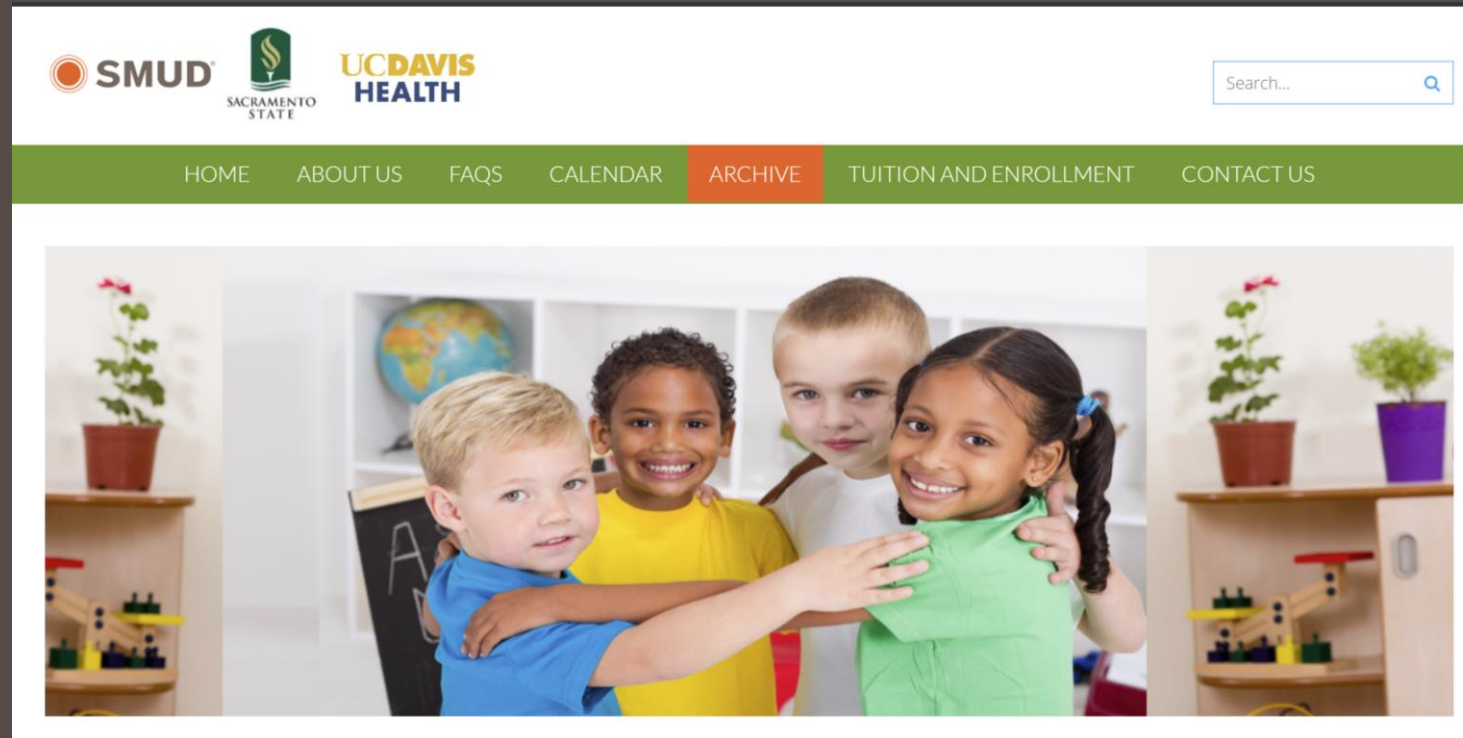
- In 2019, the current Lighthouse operator decided to retire instead of operating the new center
- In the Fall of 2020 conducted RFP for new operator
- Four respondents, two met minimum qualifications
- Bids scored by a panel of multi-party representatives and consultant
- Conducted in-depth interviews with the finalists
 - Four Lighthouse parents were invited to watch the video center tour portion of the interviews
- Currently in negotiations with top scorer

Project Timeline



Family Communications

- Website www.folsomblvdchildcare.org
- Continue to stay in contact with current operator



Questions / Discussion

