

Board Agenda Item #	Agenda # III B
Date:	July 13, 2017
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Caprice Young, Ed.D., CEO & Superintendent
RE:	Reconsideration of Facilities Consultant Contract

Proposed Board Recommendation

Information. If no action is taken, the EFG contract will end January 31, 2018 following the completion of MSA San Diego and transition of other projects and responsibilities to a new position of Director of Facilities, other staff, and other consultants as needed.

Background

On July 12, 2017, I received a letter from the Education Facilities Group exercising the clause in the contract for either party to terminate with at least 90 days notice. This gives Magnolia time for the completion of all phases of the MSA San Diego construction. I am hopeful that the scope of work during the closure of the contract will include:

- Completion of MSA San Diego (Phase 1 and MPR)
- Transitioning the management and completion of the MSA 1 New Building Project to a new Project Management Consultant
- Transitioning the management and completion of the MSA Santa Ana Gym Project to a new Project Management Consultant (Likely one PM for both projects)
- Completing both closings of the bond financing (July and November)
- Preparing and submitting 2018-19 Prop 39 applications
- Summer 2017 school site projects
- Submission of Energy Grant project requests (agency extended deadline to January 1, 2018)
- Completion of 2017-18 Prop 39 negotiations for MSA 3 and 4
- Completion of MSA 8 ISP negotiation

- Completion of MSA 1, 2, and 3 required LACOE upgrades

Budget Implications

Staff will return to the board with a budget request to hire a Director of Facilities and a new facilities Project Management consultant following appropriate processes. This shift may include an increase in legal fees over time depending on the skill sets of the replacement individuals.

How Does This Action Relate/Affect/Benefit All MSAs?

This concretely begins transition of all facilities work for all schools over approximately six months.

Name of Staff Originator:

Caprice Young, CEO & Superintendent

Exhibits (attachment):

Letter from EFG
Conceptual draft of reallocation of major facilities duties

Magnolia Public Schools Facilities Responsibilities Matrix
 Draft 7/12/2017

Responsibility	New Director of Facilities (Reporting to COO)	CFO or Designee	Principals	External Consultant (s)	Legal Counsel	CEO/Cteam
Prepare and submit Prop 39 requests	Lead				Support	
Lead Proposition 39 negotiations with LAUSD (annually)	Lead				Support	
Negotiate lease extensions on private sites	Lead				Support	
Support C Team through charter renewals and appeals	Lead				Support	
Apply for and receive charter school facilities incentive grant program funds (annually)	Support	Lead				
Apply for and receive SB740 state funds (annually)	Support	Lead				
Provide documentation on a timely basis to multiple agencies	Lead	Support				
Bring all sites into legal and district policy compliance	Lead (ongoing)				Support	
Negotiate ground use agreements at multiple sites	Lead				Support	
Complete major construction project: MSA 1	Support			New PM		
Complete major construction projects: MSA Santa Ana Gym	Support			New PM		
Plan and execute summer improvement projects at multiple sites, submitting alteration forms and garnering approvals	Lead		Support	Support		
Manage procurement of facilities related contracts	Lead	Support				
Supervise vendors on all facilities items	Lead	Support				
Major improvements at existing sites, including: MSA 7, MSA 2	Lead			Support		
Proposition 51 state bond funding Implementation (if approved)	Lead			Support		
Plan and construct new projects based on Prop 51 awards (3-4 year Process)	Support			New PM		
Develop a long-term plan to grow capacity and enrollment at all existing Sites	Lead					Participate
Develop and implement a strategy for new schools in the 5 existing communities served by Magnolia Schools	Lead					Participate
Provide written updates on facilities matters to the board	Lead	Support				
Manage construction of all facilities projects	Support			New PM		
Research and order FFE package for each school	Support		Lead			
Develop a system to track all school site requests for support	Lead					Dir. IT (Support)
Lead weekly project meetings and keep official record on projects	Lead		Support			
Manage all requests for information and change order requests	Lead	Support				
Processing of all invoices related to facilities	Support	Lead				
Seek multiple external funding partners for facilities projects	Support			maybe		Lead
Planning and Implementation of Clean Energy Grants (3 years)	Lead		Support			
Filing of Public School Tax Exemptions (annually)	Support	Lead				
Maintenance of Debt Funding Governance/Corps	Support	Lead				
Manage, maintain and update capital budget	Support	Lead				

Dr. Caprice Young
CEO & Superintendent
Magnolia Educational & Research Foundation
250 E. 1st Street, Suite 1500
Los Angeles, CA 90012

Dear Dr. Young,

After doing strategic analysis of our long-term company goals, we've decided to shift our focus to only serve a specific subset of customers going forward.

That said, our team regrets to inform you that we won't be able to continue serving Magnolia Educational & Research Foundation facilities needs past January 31, 2018. We are exercising the termination clause in "*Section 1 Term and Termination*" of our executed contract. Given the numerous projects we are currently working on with Magnolia Public Schools, we are providing a six month notice to allow ample time for a successful transition. We will work with you and your team to identify the scope of work moving forward.

Thank you for your understanding. We appreciate your partnership these past two years.

Regards,

A handwritten signature in black ink, appearing to read 'F. Gonzalez', with a long, sweeping horizontal flourish extending to the right.

Frank Gonzalez
President & CEO
Educational Facilities Group