

**BOARD OF SUPERVISORS
FINANCE/GOVERNMENT OPERATIONS AND
ECONOMIC DEVELOPMENT COMMITTEE
ACTION ITEM**

SUBJECT: **CONTRACT RENEWAL/Operation of the Youth Shelter Facility**

ELECTION DISTRICT: Catoctin District and Countywide

CRITICAL ACTION DATE: October 11, 2016

STAFF CONTACTS: Ellen Grunewald, Family Services
Hope Stonerook, Family Services
Diane C. Smith, Finance and Procurement

PURPOSE: To renew the contract for operation of the Youth Shelter.

RECOMMENDATION: Staff recommends the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors (Board) that the Purchasing Agent be authorized to renew the contract for the operation of the Youth Shelter Facility with North American Family Institute, Inc. (NAFI) in the amount of \$959,609 for a reduced seven (7) month period from January 1, 2017 through July 31, 2017.

BACKGROUND: The Board voted to privatize the operation of the Loudoun County Youth Shelter Facility (“the Shelter”) beginning in FY 1999. North American Family Institute Inc. (NAFI) based in Danvers, Massachusetts, was awarded the contract and the Shelter began operating under its supervision in March 1999.

On November 5, 2014, the Board authorized a contract to be awarded to NAFI in the estimated amount of \$1,645,043 for a one (1) year period with up to four (4) one-year renewal options for a maximum five (5) year contract. The Shelter consists of two facilities located on Meadowview Court, Leesburg, Virginia 20175. NAFI provides a wholesome, safe and stimulating environment to youths appropriate for a non-secure residential environment for up to 90 days. In addition, NAFI is also responsible for providing appropriate supervision, recreational programs, social educational groups, and transportation to school when needed. NAFI ensures that all licensing standards are met on a day to day basis. The original Shelter was constructed in 1989 with a capacity of twelve (12) beds. In May 2012, the new facility opened with an additional 12-bed capacity. The original shelter had 14 beds, but only 12 were licensed. The remaining two beds were licensed in May of 2012 as well bringing the total number of shelter beds to 26.

At the Business Meeting on July 5, 2016, the Board approved a proposal to re-license the newest Youth Shelter building to a 12 bed group home, with the original building continuing to function as the Loudoun County Youth Shelter. This change allows the growing number of Loudoun's youth in need of out of home placements exceeding 90 days to be served in the community. The oldest Youth Shelter building is in the process of being renovated with an estimated completion date of mid-summer 2017. This change also entails the issuance of a new Request for Proposal (RFP), which will be released in February of 2017 for the operation of the new Group Home and for the Youth Shelter. The group home will require a different level of programming, staffing and professional expertise. A new contract for both programs is expected to be finalized and approved by the Board no later than June 2017. This will allow the vendor time to complete all necessary requirements to license the group home and ensure all staffing is in place at the time the renovation is completed.

County oversight will continue to be provided by a designee within the Department of Family Services who will participate in evaluating the Shelter program. The involvement of staff will be key in the continuation and any future renewal of the Contract. This renewal request is the third renewal option and will be for the seven (7) month period of January 1, 2017 through July 31, 2017. Due to the change in the contractual structure of the contract, the normal one-year renewal will not be required for this renewal period since this contract will end when the new contract from the February RFP process is executed.

ISSUES: During FY 2016, the Youth Shelter had 145 admissions. The average length of stay was 26 days. If the contract for the operation of the facility is discontinued, some children will need to be sent out of the County – away from treatment providers, families, and schools. Bed space if found, would need to be purchased. However, some children may be left in high risk situations due to the lack of alternative, temporary, out-of-home placements.

FISCAL IMPACT: Sufficient funding is available in the Department of Family Services operational budget for FY 2017 (\$877,200) and from state funding under the Virginia Juvenile Community Crime Control Act (\$82,409). Funding for FY 2018 is subject to Board and State appropriations. The contract also contains a non-appropriation clause for subsequent fiscal years if funding is reduced through the budget process. If reductions were to be adopted by the Board for FY 2018, staff would ask NAFI to submit a revised budget for the remaining month of the contract period.

ALTERNATIVES:

1. Recommend to the full Board of Supervisors that the Purchasing Agent be authorized to renew the contract for the Operation of the Youth Shelter Facility with NAFI in the amount of \$959,609.
2. Do not recommend the contract renewal and direct staff how to proceed. However, this would result in the loss of housing and services to approximately 145 at-risk youth per year.

DRAFT MOTIONS:

1. I move that the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors that the Purchasing Agent be authorized to renew the contract for the Operation of the Youth Shelter Facility with North American Family Institute Inc., for the period of January 1, 2017 to July 31, 2017 in the amount of \$959,609.

OR

2. I move an alternate motion.