

Texas Facilities Commission

# Child Care Report

May 2013



In 1989, the State of Texas child care program (the Program) was established by the Texas Legislature by enactment of Article 6252 of the Texas Revised Civil Statutes Annotated, currently codified in pertinent part in Chapter 663 of the Texas Government Code, to serve State of Texas employees of all income levels and ensure access to quality child care services. The legislature intended the facilities comprising the Program be located in existing or newly-constructed State-owned buildings. Upon its inception, the Program was assigned as an agency function and duty of the State Purchasing and General Services Commission; its successor agency, the Texas Facilities

*Texas Government Code, Section 663.052 directs the Commission to report to the legislature each regular session with a summary of the development and progress of the State's child care program and a description of the additional child care services needed by state employees.*

Commission (TFC or the Commission) currently administers and operates the Program. The legislature also established the Child Care Advisory Committee<sup>1</sup> (the Committee) to advise the Commission with regard to specific aspects of the Program.

Presently, the Program consists of one facility, the Capitol Complex Child Care Center, which is located in a State-owned building on the Commission's inventory, namely 1507 Lavaca Street, Austin, Texas. The facility is comprised of two buildings and an outdoor play area. In 1992, the State Purchasing and General Services Commission renovated this facility to serve as the initial child care facility in the Program (*Refer to Exhibit-A-Facility Description on Page 3*). Project records indicate the 1992 renovations cost approximately \$790,000. The Capitol Complex Child Care Center began operations soon afterwards. In the intervening 21 years since the Capitol Complex Child Care Center opened, only essential maintenance has been conducted on the facilities in the nature of either short-term or cosmetic repairs or, in some instances, deferred altogether. The Commission has conducted a security assessment and facility condition assessment within the past six (6) months. Current estimates to accomplish critically needed repair and replacement requirements associated with building infrastructure systems (roof, electrical, mechanical, plumbing, structure, life safety systems) exceed \$1,298,000. Consequently, the Commission has included such repairs for the facility in its deferred maintenance program. The current structures were not originally intended for the delivery of child care services, and the buildings are not adequate in terms of quality or size to effectively meet the legislative directive of a State child care program that serves State of Texas employees of all income levels and provides access to quality child care services in a secure and well-maintained facility.

TFC performs its responsibilities with regard to the Program through a third-party service provider. To date, there have been 3 different operators of the Capitol Complex Child Care Center. The

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<sup>1</sup> The Child Care Advisory Committee ceased to exist as a matter of law in 2005 by virtue of Tex Gov't Code § 2110.008(b)(2). Since that time there has been no formal oversight of the capitol complex child care operation outside of facility (structural) management by the Texas Facilities Commission and the normal regulatory schemes applicable to all such child care operations.

Commission's current contract with Rosewood Oaks, LLC will expire on August 31, 2013. According to the service provider, there are 90 children currently enrolled; 20 children scheduled and on a waiting list; and on average, 4-5 families requesting services each month are turned down due to the lack of physical resources in the current facilities.

TFC has undertaken several measures to prepare for the end of the current service provider's contract. During the 82<sup>nd</sup> Regular Session, TFC worked diligently with the Texas Legislature to seek passage of House Bill 3404 to re-establish the Committee. House Bill 3404 was enacted, thereby ensuring the Committee's existence through September 2021. TFC's commissioners appointed members of the Committee in accordance with Section 663.051 of the Texas Government Code in its December 19, 2012 open meeting. Pursuant to Texas Government Code, Section 663.051, the Committee is charged with the task of serving the Commission in an advisory capacity in the following two areas related to the Program: (1) location, size and design of the child care facilities, and (2) curriculum the facility must provide to ensure the provision of developmentally appropriate services of a high quality.

The Child Care Advisory Committee convened on January 11, 2012 and met weekly through February 15, 2012. On February 20, 2013, the Committee offered its final recommendations to address the immediate considerations as TFC develops a solicitation for its next third-party child care services provider, as well as to guide the Commission as it plans and allocates resources for the Program's future. Upon receipt of the Committee's recommendations, the Commission immediately notified the Chair of the Senate Committee on State Affairs, the Chair of the House State Affairs Committee, and members of the Senate Finance Committee and the House Committee on Appropriations of those recommendations and concerns related to the Program. Subsequently, the Commission provided several legislators with a tour of the Capitol Complex Child Care Center.

TFC is currently in the process of issuing a request for proposals with an enhanced scope of work and provider requirements based on the Committee recommendations for child care services. TFC expects to make its award and enter into an agreement with a commencement date of September 1, 2013.

**RECOMMENDATIONS:** TFC recommends that action to address the deficiencies of the facility be undertaken immediately. TFC requires assistance from the legislature on the following priorities:

- Appropriations for extensive repairs and renovations needed to address impending health and safety issues in the existing structures which serve as the Program's sole facility, consistent with the Commission's current appropriations request, until such time as authorization is received for a new facility and final completion of the construction is accomplished; and
- Begin the preliminary process of planning a new child care facility to be located in a newly-constructed state office building situated within the Capitol Complex.

### **Exhibit A - Facility Description**

The child care facility address is 1507 Lavaca Street, Austin, Texas, and is comprised of 2 buildings (North, South), an outside play area, and employee parking. The structures were not originally intended for the delivery of child care services.

The North Building is 3,332 square feet consisting of four classrooms, five storage areas, one office and one kitchen. The South Building is a two story structure with a 3,615 square feet first floor consisting of four classrooms and five storage areas. The second floor of 4,389 square feet is neither habitable nor used as part of the child care facility. The second floor has been repurposed as the default mechanical, electrical and plumbing conduit (see photos on Page 4) and is not in acceptable condition.

The facility also includes a parking area for approximately twenty-six vehicles, walks, driveways, and a 5,448 square foot play area located between the North and South buildings.



**Child Care Facility—South Building**

**Gross Sq. Ft.**                      **Year Built/Acquired**

8,003                                      1950s/1978

**Current Repair Cost:** \$510,000

**Replacement Cost:** \$1,654,232

The Child Care Facility, South Building, is located at 1501 Lavaca Street in Austin, Texas. The property was acquired in 1978 as a place keeper for future state development of the Capitol Complex. The building appears to have been constructed in the mid 20th century. The building has two above grade floors. The first floor was renovated in 1992. The second floor is in very poor condition and is currently uninhabitable. There have been no additions. The fire notification system was recently upgraded.



**Child Care Facility—North Building**

**Gross Sq Ft**                      **Year Built/Acquired**

3,332                                      1969/1978

**Current Repair Cost:** \$788,000

**Replacement Cost:** \$709,954

The Child Care Facility, North Building, is located at 1507 Lavaca Street in Austin, Texas. The property was acquired in 1978 as a place keeper for future state development of the Capitol Complex. The building is one-story and was renovated in 1992. There have been no additions.

**Child Care Facility – South Building – 2<sup>nd</sup> Floor Conditions**

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**Figure 1 – Abandoned Office Space**



**Figure 2 – HVAC Equipment and Ductwork Serving the 1<sup>st</sup> Floor**



**Figure 3 - Electrical Conduit Serving the 1<sup>st</sup> Floor**



**Figure 4 – Condensate Plumbing**