



COUNTY OF LOS ANGELES PROBATION DEPARTMENT

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TERRI L. McDONALD
Chief Probation Officer

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

January 7, 2020

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The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

CELIA ZAVALA
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL OF RECOMMENDATION TO TERMINATE CONTRACT FOR
RESIDENTIAL VOCATIONAL TRAINING PROGRAM SERVICES AND CONTINUE
TO ACCEPT DONATED FACILITY IMPROVEMENTS
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

SUBJECT

The Probation Department requests approval of its recommendation to terminate its contract with New Earth to provide residential vocational training services for the Camp David Gonzales Residential Vocational Training Facility Pilot Project, and approval of its recommendation to allow completion of donated facility improvements by a new entity agreed to by the Ahmanson Foundation.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the recommended action related to the termination of the contract with New Earth is not a project and that acceptance of the remaining value of the donated facility improvements from a new entity, are within the scope of the Board's previous findings of exemption under the California Environmental Quality Act for the pilot project at Camp Gonzales for Residential Vocational Training Program Services for the reasons stated in this letter and in the record of the previously approved project.
2. Authorize the Probation Chief to terminate Contract No. 78861 with New Earth to provide Residential Vocational Training Program Services.

3. Accept the remaining value from the \$892,000 in funds donated by the Ahmanson Foundation for previously approved donated facility improvements, to be completed by a new entity agreed to by the Ahmanson Foundation. Instruct the Probation Chief, or her designee, to notify the Board in writing within ten days of the selection of the new entity.

PURPOSE/ JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of the recommended actions are to authorize termination of all work under New Earth's contract for the Residential Vocational Training (RVT) Program, approve continuation of the previously approved acceptance of donated facilities improvements by a new entity, and find that those actions are not a project or are within the scope of the Board's previous findings of exemption under the California Environmental Quality Act (CEQA) related to the pilot program at Camp Gonzales. Contract No. 78861 was awarded to New Earth on December 4, 2018 to administer and oversee the pilot RVT Program at Camp Gonzales. Camp Gonzales was repurposed from a juvenile facility to a pilot program that would provide technical education of culinary arts and construction, employment readiness and transitional employment opportunities. County contracting practice is to utilize responsible contractors with strong fiscal management controls. Based on the Los Angeles County Auditor Controller's substantiation of fiscal management deficiencies, Probation recommends termination of this contract for cause (default).

As part of the RVT Program, the County also previously accepted an estimated \$892,000 of Ahmanson Foundation funds through New Earth for donated facility improvements at Camp Gonzales. Under New Earth's contract, donated facility improvements are funded by the Ahmanson Foundation. The previously approved donated facility improvements have been performed by the Jason Post Investment Group, who is acting as subcontractor to New Earth. The Jason Post Investment Group reports that it has been paid for all invoices submitted to New Earth. The Ahmanson Foundation agrees to allow the donated facility improvements to be completed through a different entity that is not New Earth. This would allow the donated facility improvements to continue as scheduled.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended action is consistent with the County Strategic Plan Goal III (Realize Tomorrow's Government Today), specifically Strategy 3 (Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability) which supports shared values of accountability, integrity, professionalism, efficient and effective service delivery.

FINANCIAL IMPACT/FINANCING:

The annual contract amount is \$3,500,000, of which \$237,290.68 has been paid to date.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The contract contains provisions that permit termination.

ENVIRONMENTAL DOCUMENTATION:

On May 15, 2018, the Board approved the pilot RVT project at Camp Gonzales and found it to be exempt from CEQA under Sections 15301(a), (d), (f) and (h), 15302(c), 15303(c), and 15311(b) of the State CEQA Guidelines and Classes 1(c), (d), and (i), 2(e), 3(b), and 11(d) of the County's Environmental Document Procedures and Guidelines, Appendix G since the work involves renovation, upgrade, replacement of existing components in structures, etc., which are categorically exempt under CEQA. Thereafter, on December 4, 2018, the Board approved additional outdoor improvements to the basketball, baseball and amphitheater and found the work exempt under Sections 15301(a), (c) and (d), 15302 and 15303(e) of the State CEQA Guidelines and Classes 1(c)(x)(2), 2(a) and (e) and 3(b) of the County's Environmental Document Procedures and Guidelines, Appendix G which were determined to be similarly categorically exempt. Termination of the Agreement with New Earth is not a project under CEQA since it is excluded from the definition of a project under Section 21065 of the California Public Resources Code and is an administrative activity of government that will not result in direct or indirect physical changes in the environment under Section 15378(b) of the State CEQA Guidelines. Completion of the previously approved donated facility improvements, as recommended, is within the scope of the Board's previous findings of exemption.

Upon the Board's approval of the recommended actions, the Department will file a Notice of Exemption with the County Clerk in accordance with Section 21152 of the California Public Resources Code.

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IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of the recommended action will end all of New Earth's work to implement a residential vocational training program at Camp David Gonzales, and stop all work for donated facility improvements under New Earth. Upon the Board's approval of the recommended actions, a new entity, as agreed to by the Ahmanson Foundation, will continue work on the donated facility improvements. To date, the total facility improvements at Camp Gonzales are sixty percent complete. Permits were issued for the gym, classrooms, and dining hall where improvements are eighty-five percent complete. Two permits are pending for the dormitories, materials were ordered and delivered, and installation will begin once the permits are issued.

Respectfully submitted,



TERRI L. MCDONALD
Chief Probation Officer

TLM:SM:TH:jk

c: Executive Officer
Chief Executive Office
County Counsel