

**City of Oakland**  
**Agenda Report**

OFFICE OF THE CITY CLERK  
OAKLAND

2005 SEP 14 PM 2:27

To: Office of the City Administrator  
Attn: Deborah Edgerly  
From: Community and Economic Development Agency  
Date: September 20, 2005

Re: A Supplemental Report concerning workforce development contracts and budgets, and alternative resolutions as follows:

Alternative #1) A Resolution authorizing A) a Memorandum of Understanding with the Oakland Private Industry Council, Inc., (PIC) to serve as the Oakland Workforce Investment System Administrator for up to three years in an amount not to exceed \$1,300,000 for FY 2005-2006; B) a Memorandum of Understanding with the Oakland PIC, Inc., to serve as the One Stop Career Center Operator for up to three years in an amount not to exceed \$1,900,000 for FY 2005-2006; and C) the disbursement of additional funds to the Oakland PIC for subcontracts with adult and youth service providers as approved by the Oakland Workforce Investment Board, for the delivery of support services and training for job seekers and business clients, and for the implementation of other programs for which the Oakland PIC acts as System Administrator.

Alternative #2) A Resolution authorizing A) a Memorandum of Understanding with the Oakland Private Industry Council, Inc. (PIC) to serve as the Oakland Workforce Investment System Administrator for up to three years in an amount not to exceed \$1,300,000 for FY 2005-2006; B) a Memorandum of Understanding with the Oakland PIC to serve as the One Stop Career Center Operator for up to three years in an amount not to exceed \$1,325,000 for FY 2005-2006; C) the disbursement of additional funds to the Oakland PIC for subcontracts with adult and youth service providers as approved by the Oakland Workforce Investment Board, for the delivery of support services and training for job seekers and business clients, and for the implementation of other programs for which the Oakland PIC acts as System Administrator; and (D) the issuance of a Request for Proposals to provide services to formerly incarcerated clients in the amount of \$575,000.

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**SUMMARY**

The Oakland Workforce Investment Board (WIB) held a special meeting on September 8, 2005 in response to the City Council's action on July 19, 2005 and passed a motion to reaffirm the budget

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that the WIB had adopted on June 23, 2005. The WIB also adopted a motion to form a working group to begin discussing this issue with the Mayor and City Council leadership as soon as possible.

## **BACKGROUND**

Staff presented the Oakland WIB's request for proposal award and FY 2005-2006 budget decisions to the Oakland City Council on July 19, 2005. The City Council passed a motion directing staff to bring back a resolution for the Council's consideration to reallocate \$575,000 of the \$1,900,000 the WIB approved for the Oakland Private Industry Council's (PIC) One Stop Operator work to provide a total of \$300,000 to support job training services at the Dr. J. Alfred Smith Training Academy<sup>1</sup> and \$300,000 for the Acts Full Gospel Baptist Church Men of Valor program. On August 12, 2005 the City Attorney issued an opinion based upon his interpretation of the Oakland City Charter and the Workforce Investment Act of 1998, establishing that the City Council, Mayor and the WIB must concur on such budgetary and contractual matters. The City Attorney's opinion also stated that a formal competitive procurement process would be required should the City Council, Mayor and the WIB agree to reallocate the \$575,000 in question.

## **ISSUES AND IMPACT**

The Oakland WIB conveyed its resolve in upholding the budget allocations it approved on June 23, 2005 and its willingness to engage the Mayor and City Council leadership in discussions to resolve an impasse should the City Council adopt a resolution on September 20, 2005 to reallocate \$575,000 of Workforce Investment Act funds to other organizations. The WIB's action identified the Chairperson, Vice-Chairperson and the maker of the motion to uphold its June 23<sup>rd</sup> budget decision to represent the WIB. The WIB recognized the good work performed by Acts Full Gospel and the Dr. J. Alfred Smith Senior Training Academy and acknowledged that they should receive consideration for support in the future. In addition, the WIB directed staff to begin the process of developing a formal agreement among the City Council, Mayor and WIB in order to avoid impasses such as this in the future.

## **RECOMMENDATIONS AND RATIONALE**

Staff recommends that the City Council leadership meet with the Mayor and representatives of the WIB in an attempt to resolve any differences that should stem from the September 20, 2005 City Council meeting on the WIB budget and Oakland Private Industry Council MOU item. A prolonged impasse could result in the loss of a portion or all of the \$575,000 in dispute.

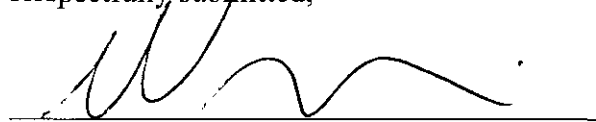
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<sup>1</sup> The Oakland WIB had originally approved \$25,000 to support the Dr. J. Alfred Smith Training Academy as proposed by the Oakland PIC.

**ACTION REQUESTED OF THE COUNCIL**

Staff requests no formal action.

Respectfully submitted,




DANIEL VANDERPRIEM

Director of Redevelopment, Economic  
Development and Housing

Prepared by: Al Auletta  
Manager, Workforce Development Unit  
CEDA

APPROVED AND FORWARDED TO THE  
CITY COUNCIL

  
Office of the City Administrator