



FILED
OFFICE OF THE CITY CLERK
OAKLAND
2014 MAY -1 PM 1: 35

AGENDA REPORT

TO: FRED BLACKWELL
CITY ADMINISTRATOR

FROM: Rachel Flynn

SUBJECT: West Oakland Job Resource Center
Fiscal Agent

DATE: 4/17/14

City Administrator
Approval

Date

4/29/14

COUNCIL DISTRICT: #3

RECOMMENDATION

Staff recommends that the City Council adopt:

A RESOLUTION AUTHORIZING AN AMENDMENT TO THE CONTRACT WITH URBAN STRATEGIES COUNCIL TO ACT AS THE FISCAL AGENT FOR THE WEST OAKLAND JOB RESOURCE CENTER TO INCREASE THE CONTRACT AMOUNT FROM \$24,991 TO \$50,000, AND TO EXTEND THE TERMINATION DATE FROM JUNE 20, 2014, TO NOVEMBER 20, 2014, AND WAIVING THE ADVERTISING, COMPETITIVE BID, AND REQUEST FOR PROPOSALS/ QUALIFICATIONS PROCESS

OUTCOME

The City Council's approval of this resolution will allow the continued operation of the West Oakland Job Resource Center with Urban Strategies Council as its fiscal agent and employer of record through November 2014.

BACKGROUND/LEGISLATIVE HISTORY

The West Oakland Job Resource Center ("WOJRC") is a project of the City developed in partnership with community organizations, employers and labor unions. The concept of a West Oakland Job Resource Center was developed as part of the community benefits for the Oakland Army Base redevelopment project. As part of the Oakland Army Base project, the City entered into a Cooperation Agreement with community stakeholder organizations and labor, which states that the City will take the lead in the development and implementation of a WOJRC to support contractors and employers in meeting the project's 50% local hiring goals.

Item: _____
CED Committee
May 13, 2014

In April 2013, City Council approved the use of revenue from billboards approved along with the OAB LDDA to fund the WOJRC (Resolution No. 84312 C.M.S.). However, that revenue has not yet been realized and is not expected to be realized until early 2015 at the earliest. The WOJRC is currently funded through \$370,000 allocated during the FY 2013-15 Budget. This funding will likely be expended this fall.

In January 2014, City staff conducted an informal competitive process and selected Urban Strategies Council to be the fiscal agent and employer of record for the WOJRC under a professional services contract. The original contract was for \$24,991 for fiscal agency fees and indirect costs. This contract will expire on June 20, 2014.

Through this contract, Urban Strategies Council provides administrative support including employment and benefits administration, risk management and compliance, human resources, financial services, IT support, data management assistance and resource development and administration. Urban Strategies Council, a 501(c)(3) organization, may also receive contributions from outside sources on behalf of the WOJRC.

Using established non-profits as fiscal agents is a common practice for emerging new programs in the non-profit sector. This model allows City staff to continue to make the final hiring/firing and other staff change decisions. It also allows City and WOJRC staff to focus on developing the program and service delivery aspects of the WOJRC.

ANALYSIS

The original Urban Strategies Council contract was bid through an informal competitive process. City procurement processes requires that contracts over \$25,000 be competitively awarded. Oakland's Municipal Code Section 2.04.051.A requires that the City Administrator (or designee) conduct a request for proposal ("RFP") or request for qualifications ("RFQ") process for the award of contracts that exceed \$25,000. Oakland Municipal Code Section 2.04.051.B authorizes the City Council to dispense with the City's standard RFP/RFQ process for award of professional services contracts upon a finding that it is in the City's best interest to do so.

Staff believes that it is in the City's best interest to continue the services of the WOJRC, which is actively assisting job-seekers and contractors on the Oakland Army Base and other construction projects.

City staff has been satisfied with the high level of service and support from the Urban Strategies Council and would like to continue this relationship until there is more certainty of future funding and more clarity about the best operational model for the WOJRC. City staff has been in conversation with the City Administrator's Office, Councilmember Gibson McElhaney's office, and the signatories to the Cooperation Agreement regarding possible operational models and

Item: _____
CED Committee
May 13, 2014

resource development plans for the WOJRC. In the interim, staff would like to continue the existing relationship with Urban Strategies Council.

Staff recommends that Council approve the amendment to the fiscal agency contract with Urban Strategies Council to increase the contract amount to \$50,000 (with roughly \$240,000 in pass-through costs) and extend the contract termination date to November 20, 2014.

PUBLIC OUTREACH/INTEREST

The development of the WOJRC has involved numerous stakeholders including representatives from community coalitions such as Oakland WORKS and Revive Oakland!, the West Oakland Community Advisory Group, the Building and Construction Trades Council of Alameda County, contractors, the Alameda Labor Council, the Construction Employers Association, City and Port staff, the Oakland WIB, and the developers.

The City Administrator's Office has been partnering with Councilmember Gibson McElhaney's office to host meetings with the community stakeholders over the last few months to discuss the ongoing development of the WOJRC, the various implementation models and future resource development.

WOJRC staff work closely with the OAB contractors, apprenticeship coordinators, training providers, community groups, and other service providers in implementing the program.

COORDINATION

City staff is also coordinating with the City Attorney's Office, the Budget Office, the City's Division of Contracts and Compliance, as well as with Oakland Public Library staff.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

The amended contract would be for amount not-to-exceed \$50,000 for fiscal agency fees and indirect costs. The contract would also allow for up to \$240,000 in pass-through costs. These are the costs for program staff, supplies and training/worker assistance for clients.

2. COST ELEMENTS OF AGREEMENT/CONTRACT:

The estimated budget for the WOJRC for the period from

January 20, 2014 through November 20, 2014 is:

WEST OAKLAND JOB RESOURCE CENTER FISCAL AGENT BUDGET (Jan. 20 through Nov. 20 2014)	
URBAN STRATEGIES COUNCIL	
Personnel	\$200,014
Program Expenses	\$12,000
Worker Training/Assistance	\$26,000
Total Pass-through Costs	\$238,014
Urban Strategies (indirect costs/fiscal agency fee)	\$49,983
Total	\$287,997

3. SOURCE OF FUNDING:

The funds are from the General Purpose Fund (1010), West Oakland Jobs Center Project (P465110). These funds were allocated for the West Oakland Job Resource Center through the FY 2013-15 budget process.

4. FISCAL IMPACT:

The funds are already budgeted for this use.

SUSTAINABLE OPPORTUNITIES

Economic: By assisting contractors and employers to meet the 50% local hiring goal and by facilitating the training and placement of Oakland residents in the Construction sector, the Job Resource Center will have a significant impact on the economic well-being of hundreds of Oakland residents.

Environmental: This report does not directly address environmental sustainability.

Social Equity: The Job Resource Center will help to provide access to counseling, training and employment for residents who have historically faced barriers to employment.

For questions regarding this report, please contact Elinor Buchen, Program Analyst at 238-3474.

Respectfully submitted,



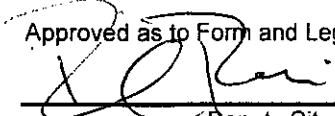
Rachel Flynn, Acting Director
Department of Economic and Workforce Development

Reviewed by: Al Auletta, Program Manager

Prepared by: Elinor Buchen, Program Analyst

2014 MAY -1 PM 1:35

Approved as to Form and Legality:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING AN AMENDMENT TO THE CONTRACT WITH URBAN STRATEGIES COUNCIL TO ACT AS THE FISCAL AGENT FOR THE WEST OAKLAND JOB RESOURCE CENTER TO INCREASE THE CONTRACT AMOUNT FROM \$24,991 TO \$50,000, AND TO EXTEND THE TERMINATION DATE FROM JUNE 20, 2014, TO NOVEMBER 20, 2014, AND WAIVING THE ADVERTISING, COMPETITIVE BID, AND REQUEST FOR PROPOSALS/ QUALIFICATIONS PROCESS

WHEREAS, in July 2012, the City Council approved Ordinance No.13131 C.M.S. which authorized a Lease Development and Disposition Agreement (“LDDA”) for the Oakland Army Base Development Project which included a set of Community Jobs Policies, a Cooperation Agreement between the City and community groups, and a Billboard Franchise and Lease Agreement; and

WHEREAS, the Community Jobs Policies set targets for the employment of Oakland residents and disadvantaged workers on the both the construction and operations phases of the Oakland Army Base Development Project; and

WHEREAS, the Cooperation Agreement specified that the City will, with the assistance of community partners, take steps to establish a West Oakland Job Resource Center (“WOJRC”) to assist job-seekers, employers and contractors in meeting the hiring targets of the Community Jobs Policies; and

WHEREAS, in late 2014, the City conducted an informal competitive process and selected Urban Strategies Council to act as the fiscal agent and employer of record for the WOJRC; and

WHEREAS, the original contact with the Urban Strategies Council is in a contract amount of up to \$24,991 (as well as up to \$143,998 in pass-through costs) and expires on June 20, 2014; and

WHEREAS, the Urban Strategies Council has performed well and assisted the WOJRC with administrative and IT support; and

WHEREAS, in December 2012, Council approved Resolution No. 84164 C.M.S. which approved in concept the use of billboard revenue to support the WOJRC and other community benefits-related uses, including staff; and

WHEREAS, billboard revenue is not expected until early 2015 and staff is working to identify funds to cover costs for the WOJRC beyond fall of 2014; and

WHEREAS, Oakland's Municipal Code Section 2.04.051.B authorizes the City Council to dispense with the City's standard request for proposal/qualifications process for award of professional services contracts upon a finding that it is in the City's best interest to do so, which is the case here, in order to prevent a break in service to the WOJRC; and

WHEREAS, the City's interests are served through the ongoing operation of the WOJRC which is actively assisting job-seekers and contractors; and

WHEREAS, the Urban Strategies Council was selected through an informal competitive process and has performed satisfactorily; and

WHEREAS, the City is not able to commit to a longer contract given the uncertainty of short-term funding; now, therefore, be it

RESOLVED: That the City Council hereby authorizes the City Administrator to negotiate and enter into an amendment to the contract with the Urban Strategies Council to act as fiscal agent and employer of record for the WOJRC to increase the contract amount from \$24,991 to \$50,000 and extend the contract termination date until November 20, 2014; and be it

FURTHER RESOLVED: That sufficient funds have been budgeted in the FY 2013-15 Budget in the General Purpose Fund (1010), West Oakland Resburec Center Project (P465110) for this contract; and be it

FURTHER RESOLVED: That the City Council hereby finds that a waiver of the advertising, bidding and request for proposal/qualifications process for this contract is in the best interests of the City for the reasons set forth herein and in the staff report accompanying this Resolution, and hereby waives this requirement; and be it

FURTHER RESOLVED: That the City Administrator and his/her designees are hereby authorized to take whatever action is necessary with respect to said contract consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20_____

PASSED BY THE FOLLOWING VOTE:

AYES – BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN, SCHAAF, REID and PRESIDENT
KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California