



AGENDA REPORT

TO: HENRY L. GARDNER
INTERIM CITY ADMINISTRATOR

FROM: Rachel Flynn

SUBJECT: West Oakland Job Resource Center
Fiscal Agent

DATE: October 2, 2014

City Administrator
Approval

Date

10.16.14

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 \$50,000 To \$105,000, And To Extend The Termination Date From November 20, 2014 To June 30, 2015 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 June 30, 2015.

BACKGROUND/LEGISLATIVE HISTORY

The West Oakland Job Resource Center is a project of the City of Oakland 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 West Oakland Job Resource Center to support contractors and employers in meeting the project's 50% local hiring goals.

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 summer or fall of 2015. The WOJRC is currently funded through \$370,000 allocated during the FY 2013-15 Budget.

In January 2014, the City conducted a Request for Bids process and selected Urban Strategies

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Council as the Fiscal Agent and Employer Record for the West Oakland Job Resource Center. The original contract was for \$24,991 for fiscal agency fees and indirect costs.

In May 2014, Council approved Resolution No.84994 C.M.S to increase the contract to \$50,000 and extend it to November 20, 2014 (based on funding available at that time).

In July, as part of the Mid-Cycle FY13-15 Budget Amendment (Resolution No. 85085 C.M.S), Council approved an additional \$250,000 for operation of the West Oakland Job Resource Center. In addition, the WOJRC received \$200,000 from the City as part of the River Watch Settlement Agreement, which can be used for training, operations and direct client assistance for work pertaining to storm water management and other infrastructure. Both of these funding sources are included in the proposed budget for the WOJRC through June 2015.

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. The WOJRC has received a \$37,300 grant from the Port of Oakland's Maritime Aviation Project Labor Agreement Social Justice Trust Fund which is used to pay for a part-time job developer.

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 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 bidding process. City procurement processes requires that contracts over \$25,000 be competitively bid through a publicly noticed Request for Proposal process. 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 twenty-five thousand dollars (\$25,000.00). Section 2.04.051.B of Oakland Municipal Code authorizes the City Council to dispense with the City's standard request for proposal 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 West Oakland Job Resource Center, which is actively assisting job-seekers and contractors on the Oakland Army Base and other construction projects.

As of August 2014, the WOJRC had placed 102 Oakland residents in employment; 47 of them in construction employment. In late September, a new Program Director was hired and is currently

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in the process of developing a strategic plan and resource development plan for the WOJRC. City staff has been satisfied with the high level of service and support from the Urban Strategies Council. In order to focus on improving the program and supporting the new Program Director, staff recommends continuing the fiscal agency relationship with Urban Strategies Council through June 30, 2015.

Staff recommends that Council approve the amendment to the Fiscal Agency contract with Urban Strategies Council to \$105,000 (with roughly \$500,000 in pass-through costs).

PUBLIC OUTREACH/INTEREST

The development of the Job Resource Center 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 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 an amount not-to-exceed \$105,000 for fiscal agency fees and indirect costs. The contract would also allow for up to \$500,000 in pass-through costs. These are the costs for program staff, supplies and training/worker assistance for clients. The Urban Strategies Council receives a percentage of the total pass-through costs for their services as the Fiscal Agent for the program.

This request would increase the length of the contract from a 10-month contract (January 2014 - November 2014) presently to an 18-month contract (January 2014 - June 2015). In addition, due to receiving funding through the River Watch Settlement, the WOJRC

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budget has been augmented to include additional training, worker assistance and technical assistance. The contract amount increase from \$50,000 to \$105,000 is to cover the Urban Strategies Council's fiscal agency costs for the additional 8 months of operation of the WOJRC and the budget augmentation.

2. COST ELEMENTS OF AGREEMENT/CONTRACT:

The estimated budget for the WOJRC for the period from January 20, 2014 through June 30, 2015 is:

WEST OAKLAND JOB RESOURCE CENTER FISCAL AGENT BUDGET				
URBAN STRATEGIES COUNCIL				
		Proposed Additional Funds		
	Existing Budget	General Fund	River Watch Settlement Funds	TOTAL BUDGET
	Jan 14-Nov 14	Nov 14-Jun 15	Nov 14-Jun 15	Jan 14-Jun 15
Personnel	\$201,557	\$136,196	\$24,035	\$361,787
Program Expenses	\$18,481	\$30,000	0	\$48,481
Training/Worker Assistance	\$18,000	\$3,000	\$65,000	\$86,000
Total Pass-through costs	\$238,038	\$169,196	\$89,035	\$496,268
URBAN STRATEGIES COUNCIL FISCAL AGENCY/INDIRECT FEE:	\$49,988	\$45,325	\$8,903	\$104,216

3. SOURCE OF FUNDING:

The funds are from the General Purpose Fund (1010), West Oakland Jobs Center Project (P465110), which were allocated for the West Oakland Job Resource Center through the FY 2013-15 mid-cycle budget amendment process and the River Watch Settlement Project (P465120) in the OBRA Fund (5671).

4. FISCAL IMPACT:

The funds are already budgeted for this use.

SUSTAINABLE OPPORTUNITIES

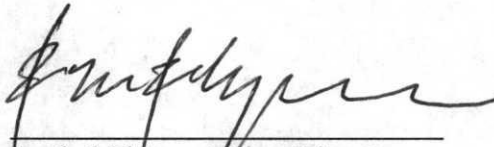
Economic: By assisting contractors and employers to meet the 50% local hiring goal and by facilitating the training and placement of Oakland residents in the Construction sector, the Job Resource Center will have a significant impact on the economic well-being of hundreds of Oakland residents.

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
Economic and Workforce Development Department

Reviewed by: John R. Bailey, Executive Director of the Oakland
Workforce Investment Board

Al Auletta, Program Manager

Prepared by: Elinor Buchen, Program Analyst

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Approved as to Form and Legality:

il. Melner

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 \$50,000 TO \$105,000, AND TO EXTEND THE TERMINATION DATE FROM NOVEMBER 20, 2014 TO JUNE 30, 2015 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 December 2012, Council approved Resolution 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 late 2015 and staff is working to identify funds to cover costs for the WOJRC beyond summer of 2015; and

WHEREAS, in late 2013, 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 current contract with the Urban Strategies Council is in a contract amount of up to \$50,000 (as well as up to \$240,000 in pass-through costs) and expires on November 20, 2014; and

WHEREAS, the Urban Strategies Council has performed well and assisted the WOJRC with administrative and IT support; 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 long-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 \$50,000 to \$105,000 and extend the contract termination date from November 20, 2014 until June 30, 2015; 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 Resource Center Project (P465110) and in the OBRA Fund (5671) River Watch Settlement Project (P465120) 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