

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

121



SUBMITTAL DATE:
May 26, 2010

FROM: Economic Development Agency

SUBJECT: 2009 Inland Empire Labor Market Survey Funding Recommendation

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve American Recovery and Reinvestment Act (ARRA) funding for Program Years 2009-2011 for services needed to assist the Economic Development Agency (EDA) in conducting a Labor Market Survey for Riverside and San Bernardino Counties.
2. Authorize the Director of Workforce Development, or designee, to negotiate and execute a sole source agreement and sign any ministerial amendments with ERISS Corporation provided that the agreement is within 10 percent of the recommended amount and is approved as to form by County Counsel.
3. Authorize the Director of Workforce Development, or designee, to enter into a Memorandum of Understanding (MOU) with the County of San Bernardino, Department of Workforce Development to obtain reimbursement of their share of the labor market survey costs.
4. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise renewal options that do not change the substantive terms of the agreement.

BACKGROUND: (Commences on Page 2)

FISCAL PROCEDURES APPROVED

ROBERT E. BYRD, AUDITOR-CONTROLLER

BY Samuel Wong 6/2/10

~~SAMUEL WONG~~

Robert Field

Robert Field

Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 81,900	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	09/10 & 10/11

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: 100% Federal Funds – ARRA Rapid Response

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

Jennifer L. Sargent

County Executive Office Signature

Jennifer L. Sargent

Prev. Agn. Ref.: N/A

District: ALL

Agenda Number:

3.14

FORM APPROVED COUNTY COUNSEL
 BY: *Neal R. Kipnis* DATE: 5/11/10
 Departmental Concurrence
 Purchasing: *Mark Seiler* Assistant Director

Dept Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

BACKGROUND: In 2003, the California Workforce Investment Board conducted a series of studies called the California Regional Economies Project (CREP). This project divided California into nine economic regions and analyzed industry clusters and economic foundations responsible for growth and competitiveness. In 2007, an Industry Clusters of Opportunity User Guide and CREP Training were developed to duplicate the studies at the local level. A team from Riverside and San Bernardino County's Workforce and Economic Development departments, California Community Colleges, and the California Employment Development Department completed the training in February 2008 and began to meet monthly to uncover regional clusters of opportunity in the Inland Empire.

The team examined regional issues, short-term and long-range goals, as well as, wage and employment data for all industries in the Inland Empire. Based on the data, the team identified two industry clusters that are likely to play an important role in the future economic prosperity of the region. The clusters identified were the Renewable Energy Cluster and the Recession Resistant Cluster.

In order to validate the team's findings, the Riverside County EDA, in cooperation with the Workforce Investment Board (WIB), released a Request for Proposals (RFP) on March 8, 2010, soliciting services to assist EDA with an in-depth analysis of current Workforce skill levels and Labor Market dynamics for Riverside and San Bernardino Counties with resulting data available through an interactive internet application. The analysis is intended to gather workforce information that will assist EDA and its partners in ongoing efforts to develop strategies and enhance linkages in the Inland Empire. The collected data will assist in providing services to job seekers, employers and residents that meet real time workforce needs. This project is being funded through the ARRA of 2009.

The Public Notice for this RFP was published in nine newspapers including the San Bernardino County Sun, San Diego County Union-Tribune, Orange County Register, and Riverside County Press Enterprise. One proposal was received in response to the RFP. The proposal was thoroughly evaluated and received a score above the minimum narrative score necessary for consideration of funding. The following funding recommendation was approved by the WIB Executive Committee on April 21, 2010:

Agency Name	Amount Requested	Amount Recommended
ERISS Corporation	\$273,500	\$273,500

Financial Impact: Total ARRA Rapid Response funds \$273,500. ARRA funding to be disbursed in Program Year 2009/2010 is expected to be 30% or \$81,900 of the total amount. The remaining 70% will be disbursed in Program Year 2010/2011 in the amount of \$191,600.

ATTACHMENTS: Request for Sole Source Procurement

Date: June 8, 2010

From: Robert Field, Assistant County Executive Officer, Economic Development Agency - Workforce Development Division (Deputy Director or above)

To: Board of Supervisors

Via: Purchasing Agent

Subject: Request for Sole Source Procurement

The information referenced is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source. If over \$25,000 the service or product must have Board of Supervisor approval.

1. Supply/Service being requested: An in-depth analysis of current workforce skill levels and Labor Market dynamics for Riverside and San Bernardino Counties with resulting data available through an interactive internet application. The primary focus of the analysis will be North American Industrial Classification System (NAICS) categories listed under two industry clusters: The Renewable Energy Cluster and the Recession Resistant Cluster.
2. Supplier being requested: ERISS Corporation
Address: 1124 Glen Ellen Place, Ste. 201, San Marcos, CA 92078
3. Alternative Service Providers that can or might be able to provide service: We could not identify other alternative service providers that are able to conduct a labor market analysis with resulting data available through an interactive internet application.
4. Extent of market search conducted: The market search included advertising the Request for Proposals (RFP) through the Riverside County Workforce Investment Board and Recovery web sites. Nineteen (19) copies of the RFP were downloaded by thirteen unique agencies. The Public Notice for this RFP was published in the following nine newspapers:
 - Barstow Desert Dispatch
 - High Desert Daily Press
 - Inland Valley Daily Bulletin
 - The Californian
 - San Bernardino Sun
 - San Diego County Union-Tribune
 - The Desert Sun
 - The Orange County Register
 - The Press Enterprise

Additionally, EDA conducted phone calls and sent an email to all non-bidders to ascertain the reasons for the limited response to the RFP. Responses included: the work location was too far from the agency location; an inclination by California governments towards hiring local contractors; and, the agency's existing workload was high.

5. Unique or proprietary features of the service being requested from this service provider, which no alternative supplier can provide:
- a. ERISS will deliver data in four ways: 1) An interactive web application – USWorks for Professionals; 2) a confidential ACCESS database; 3) USWorks Business Services Manager (BSM); and, 4) a PowerPoint presentation of the report.
 - b. USWorks for Professionals is a proprietary interactive internet application. It is a custom application built to dynamically serve workforce intelligence in a local area. Key features include:
 - USWorks allows each community to compare occupational information within its area and compare it with the other neighboring communities.
 - USWorks provides a format, on a real-time basis, for community input and commentary on occupations in the area.
 - USWorks offers dynamic query tools that allow users to find the information to make an informed choice relevant to their job scenario and situation.
 - USWorks eliminates the need for EDA to build their own infrastructure which requires MIS managers, database analysts, web masters and technical support staff and expensive hardware and software.
 - c. ERISS has developed an O*Net and industry-based CATI system which uses a unique, “adaptive” survey design and methodology that produces an interactive, custom interview form for each contact. This allows surveyors to collect a very large volume of detailed information while keeping call-time to a minimum.
 - d. All ERISS software is web based and can be accessed over the Internet via all major browsers.
6. Reasons why my department requires these unique features and what benefit will accrue to the county: These unique features will improve Riverside County’s workforce environment by:
- Identifying existing and potential niche opportunities in the county’s workforce development system.
 - Allowing EDA to deploy Rapid Response (RR) layoff services, recruitment plans and other employment service requests to employers within 24 hours.
 - Using compiled data to determine current workforce skills attainment levels (and gaps) and develop strategies accordingly.
 - Helping to create a sustainable workforce.
7. Price Reasonableness: The total proposed cost of \$273,500 is believed to be reasonable. A discount of \$45,000 off the regular pricing has been applied to the survey cost by the service provider. In addition, the proposed cost was compared with other agencies currently conducting business visitation surveys in Riverside County. For example, to conduct a business

visitation survey in the Coachella Valley, the Coachella Valley Economic Partnership (CVEP) proposed a cost of \$208,000 to conduct 2,500 one-on-one interviews with businesses throughout the valley with resulting data placed in a database and compiled into a written report of Survey Findings.

In comparison, ERISS Corporation will attempt to contact 16,016 employers in the Inland Empire with data delivered in four ways including the requested interactive internet application. As a result of ERISS's combination of sophisticated collection tools and state-of-the-art dissemination systems, the agency is able to provide services at a reasonable cost.

8. Does moving forward on this product or service further obligate the county to future similar contractual arrangements? No, this in-depth analysis will only be conducted once and primarily focus on the Renewable Energy and Recession Resistant clusters in the Inland Empire. The initial contract will run April 1, 2010 through May 31, 2011 with the possibility of two (2) one-year contract extensions based on performance, need, and funding availability.

Department Head Signature

5/26/10

Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Purchasing Agent

6-1-10

Date