



Board Agenda Item 36

DATE: June 20, 2017

TO: Board of Supervisors

SUBMITTED BY: Jean M. Rousseau, County Administrative Officer

SUBJECT: Agreement with the Economic Development Corporation serving Fresno County

RECOMMENDED ACTION(S):

Make a finding that it is in the best interest of the County to waive the competitive bidding process consistent with Administrative Policy No. 34 under the “unusual or extraordinary circumstances” exception and authorize the Chairman to execute Agreement with Economic Development Corporation serving Fresno County to promote and market resources and economy of Fresno County effective July 1, 2017 and June 30, 2018 (\$38,000)

Approval of the first recommended action will ensure that Economic Development Corporation serving Fresno County (EDC) provides businesses with technical assistance to encourage the location of new industry and the retention and expansion of existing businesses within the cities and unincorporated communities of Fresno County. The agreement term is July 1, 2017 to June 30, 2018 and is recommended at \$38,000, no increase from FY 2016-17.

ALTERNATIVE ACTION(S):

Your Board may choose to make the assignment of economic development responsibilities to another organization. However, the recommended action is consistent with your Board’s August 9, 2011 (Board Agenda Item No. 40) assignment of the County’s current economic development responsibilities as noted above to the EDC and included in the FY 2017-18 Recommended Budget. As the drafting of this Board Item, it is expected your Board will adopt funding as proposed in the FY 2017-18 Recommended Budget.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

It is requested that the County waive the competitive bidding process under Administrative Policy No. 34 under “unusual or extraordinary circumstances” exception as the EDC is the only vendor suited, equipped and authorized to perform economic development tasks and activity for Fresno County as provided above. Purchasing supports the justification to waive the competitive bidding process.

FISCAL IMPACT:

There is no additional Net County Cost with the recommended action. Sufficient appropriations were included in the FY 2017-18 Recommended Budget that the Board is expected, at the drafting of this Board Agenda Item, to Adopt and included in Org 2540 Interest and Miscellaneous Expenditures, Account 7845 - Support of Organizations (\$38,000). Payments will be remitted after each FY 2017-18 Quarter, EDC is required to submit quarterly activity reports along with invoices within 30 days after the end of each quarter.

DISCUSSION:

In the recommended action the EDC agrees to continue providing overall expertise and assistance in achieving the objectives of the Fresno County Economic Development Strategy. These objectives include job creation, diversification of economic base, and preparation of the labor force. The recommended Agreement allocates funds (\$38,000) to the EDC based on goals designed to target specific economic development tasks and activities, including:

1. Business Technical Assistance: In an effort to encourage the location of new industry within the cities and unincorporated communities of Fresno County and to retain and expand those businesses on a one-to-one basis. Assistance can include location of product packaging, identifying financing options, screening for eligible tax incentive programs, and making referrals to partner agencies for additional services such as employee recruitment, marketing, business plan development, and energy efficiency assessments.
2. Economic Development Objectives: The EDC will maintain, monitor, and draft any required revisions of the County's Comprehensive Economic Development Strategy (CEDS) for the County's approval and assists the County achieve its economic development objectives as set forth in the CEDS.

The EDC, on May 2, 2017, provided the County with a CEDS revision and will soon begin working on an update to its five-year strategic action plan.

Copies of the EDC "Business Expansion, Attraction, and Retention Report" covering the first three quarters in FY 2016-17 are included for your Board's review.

REFERENCE MATERIAL:

BAI #21, June 21, 2016
BAI #25, October 13, 2015
BAI #32, August 26, 2014
BAI #30, October 8, 2013
BAI #35, April 23, 2013

ATTACHMENTS INCLUDED AND/OR ON FILE:

Sole Source Acquisition Request
EDC FY 2017 Quarter 1 Activity Report
EDC FY 2017 Quarter 2 Activity Report
EDC FY 2017 Quarter 3 Activity Report
On File with the Clerk - Agreement

CAO ANALYST:

Juan Lopez