



Board Agenda Item 36

DATE: July 9, 2019

TO: Board of Supervisors

SUBMITTED BY: Jean M. Rousseau, County Administrative Officer

SUBJECT: FY 2019-20 Retroactive Agreement with the Economic Development Corporation serving Fresno County

RECOMMENDED ACTION(S):

- 1. 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 for unusual or extraordinary circumstances for the solicitation of services to promote and market the resources and economy of Fresno County; and**
- 2. Approve and authorize the Chairman to execute a retroactive sole source Agreement with the Economic Development Corporation serving Fresno County to promote and market the resources and economy of Fresno County, effective July 1, 2019 through June 30, 2020 (\$38,000).**

Approval of the recommended actions 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, 2019 to June 30, 2020 and is recommended at \$38,000, no increase from FY 2018-19. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board may opt not to approve the recommended action. However, the recommended action is consistent with the Board's ongoing assignment of the County's current economic development responsibilities, including the revision of the County's Comprehensive Economic Development Strategy (CEDS), to the EDC. At the drafting of this Board Item, it is expected your Board will adopt funding as proposed in the FY 2019-20 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. The recommended action is consistent with the Board's ongoing assignment of the County's current economic development responsibilities, including the revision of the County's Comprehensive Economic Development Strategy (CEDS), to the EDC. The Internal Services Department - Purchasing concurs with the Department's request to waive the competitive bidding process.

RETROACTIVE AGREEMENT:

This agreement is retroactive as the agreement was finalized and received from the vendor on June 19, 2019, and is being brought to your Board on the first available Board date.

FISCAL IMPACT:

There is an additional \$38,000 in Net County Cost associated with the recommended action. Sufficient appropriations will be included in the FY 2019-20 Recommended Budget in Org 2540 Interest and Miscellaneous Expenditures, Account 7845 - Support of Organizations (\$38,000). Payments will be remitted after each FY 2019-20 quarter; EDC is required to submit quarterly activity reports along with invoices within 30 days after the end of each quarter.

DISCUSSION:

Through this Agreement, the EDC agrees to continue providing overall expertise and assistance in achieving the objectives of Fresno County's CEDS. 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 CEDS for the County's approval and help the County achieve its economic development objectives as set forth in the CEDS.

In 2018, the EDC submitted a CEDS extension request to the United States Department of Commerce, Economic Development Administration (EDA), which included no new revisions at this time. EDC will provide updates to the CEDS once an opportunity analysis has concluded to list new projects as a result of that study.

Copies of the EDC "Business Expansion, Attraction, and Retention Report" covering the first three quarters in FY 2018-19 are included for your Board's review.

REFERENCE MATERIAL:

BAI #38, July 10, 2018
BAI #36, June 20, 2017
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
BAI #40, August 9, 2011

ATTACHMENTS INCLUDED AND/OR ON FILE:

Sole Source Acquisition Request
EDC FY 2019 Quarter 1 Activity Report
EDC FY 2019 Quarter 2 Activity Report

EDC FY 2019 Quarter 3 Activity Report
On file with Clerk - Agreement with EDC

CAO ANALYST:

Ronald Alexander