



AGENDA REPORT

Library and Community Services
Employment & Training

DATE:	December 19, 2023
TO:	Mayor Martinez and Members of the City Council
FROM:	LaShonda White, Deputy City Manager - Community Services Tamara Walker, Deputy Director of Community Services, Employment and Training Division
Subject:	Sole-Source Contract with Oakland Private Industry Council to Serve as the RichmondWORKS Program Contracting/Vendor Pay Agent
FINANCIAL IMPACT:	E&T has budgeted for the training funds in its Operating Expenses Budget to be allocated for Individual Training Accounts (ITAs). All expenditures associated with this program are grant-funded from various program account allocations and will be reimbursed to the City, quarterly. Specific account strings are listed in the Discussion section below.
PREVIOUS COUNCIL ACTION:	November 10, 2020; May 18, 2021; March 1, 2022
STATEMENT OF THE ISSUE:	The Employment and Training Division of Community Services is seeking to execute a sole-source contract with the Oakland Private Industry Council (OPIC) to allow OPIC to serve as the Contracting/Vendor Pay Agent and Employer of Record for the RichmondWORKS, Workforce Innovation and Opportunity Act (WIOA), and other grant-funded programs.

RECOMMENDED ACTION:	APPROVE a sole-source contract with the Oakland Private Industry Council, in an amount not to exceed \$579,909.38, to provide additional services as the Contracting/Vendor Pay Agent for RichmondWORKS, Workforce Innovation and Opportunity Act (WIOA), and other grant-funded program participants in the form of Individual Training Accounts (ITAs) and On-the-Job Training (OJT) contracts, through June 30, 2025 – Community Services Department, Employment and Training Division – (LaShonda White 510-620-6828/ Tamara Walker 510-307-8006).
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DISCUSSION:

The Individual Training Account (ITA) and On-the-Job (OJT) process developed by the Oakland Private Industry Council (OPIC) allows the Employment & Training Division to cover the cost of classroom and skills training for Richmond residents in an effective manner with minimal delays. OPIC, a non-profit 501(c)(3) organization, has served as the fiscal agent for the four Workforce Development Boards (WDB) in the East Bay region since 1998. The coordination and consolidation of the processing of ITAs for the WDB East Bay regional consortium serves as a statewide model for efficiency.

On December 6, 2022, the Richmond City Council authorized a contract between Employment and Training and OPIC, in an amount not to exceed \$371,473.80, to serve as the contracting/pay agent through June 30, 2023. In addition, the contract included a 10 percent administrative fee for services rendered. The previous OPIC contract expired June 30, 2023, and unspent funds have been recaptured and allocated to the FY 2023-24 budget; a practice used by workforce development boards. The previous contract was established based on Alameda County Workforce Development Board’s Request for Proposal (RFP) process and contract in alignment with the City of Richmond’s Piggyback policy. OPIC was the only vendor that responded to Alameda’s RFP.

E&T is requesting approval to enter into a new sole-source contract with OPIC for the following services:

1. Management of the Employment Training Provider List (ETPL).
2. Contracting and Paying for Individual Training Account (ITA) vendors who provide training to program participants.
3. Contracting and Pay Agent for On-the-Job Training (OJT) activities with the employers who provide OJT positions for Workforce Innovation and Opportunity Act (WIOA) participants.
4. Contracting for other goods and services as directed by and on behalf of RWDB.

Based on similar needs, E&T initially submitted a new request to piggyback off Alameda County’s RFP and contract. However, based on Richmond’s current piggyback policy, the new contract could not adhere to the provision stating that the price of the purchase

must be within fifteen percent (15%) or \$2,500 of the originating agency's solicitation. Although the services required from OPIC are the same, the City of Richmond's workforce development funds are substantially lower than Alameda County's funds due solely to population size. Therefore, E&T is now requesting approval of a sole-source with OPIC for the following reasons (Attachment 1):

1. Historically, OPIC is the only organization that submits a bid on the Contracting/Vendor Pay Agent RFP in both Alameda County and Contra Costa County.
2. In the past, the City of Richmond did not receive any proposals when the RFP for Contracting/Vendor Pay Agent services was released.
3. The OPIC has historically provided these services for the four workforce development boards (Richmond, Contra Costa County, Oakland, and Alameda County) since 1998.
4. The contract allows E&T to quickly release funds for training for Richmond job seekers to access (OPIC only receives 10 percent of the total contract amount with the remaining funds supporting job seekers).

The activities and services OPIC have provided and will continue to provide under this proposed contract are part of the administration and program operations implemented by RichmondWORKS within the approved Annual Budget for Department Operations, to provide WIOA clients with ITAs, OJTs, and Customized Training, including systems support.

Per WIOA guidelines, each local workforce development area within the state is required to use 30 percent of its annual allocation to provide individual training and work-based learning opportunities for the WIOA program participants, which may be spent over a two-year period. In addition, special grants awarded to RichmondWORKS require the use of ITAs and OJTs to support participants' journey to self-sufficiency.

Lastly, traditionally the contract with OPIC allowed the vendor to receive all funds in advance with minimal checks and balances; however, the FY 2022-23 contract required monthly expenditure reports for payments. The expenditure reports were provided after the FY 2022-23 contract ended; therefore, there is a need for an after-the-fact contract.

The account strings used to cover the cost of this contract are listed below.

AMOUNT	ACCOUNT STRINGS			PROGRAM	
59,109.92	12572541	400813	22901	ADULT	GR ITR
5,910.90	12573241	400843	22901	ADULT	ITASVCFEE
49,610.04	12572541	400813	22902	DISLOCATED	GR ITR
4,961.04	12573241	400843	22902	DISLOCATED	ITASVCFEE
59,530.50	12572341	400813	22903	CAREER	GR ITR
6,614.50	12573241	400843	22903	CAREER	ITASVCFEE
69,424.00	12572541	400813	27G04	ADULT	GR ITR
6,943.00	12573241	400843	27G04	ADULT	ITASVCFEE
54,908.00	12572541	400813	27G06	DISLOCATED	GR ITR
5,491.00	12573241	400843	27G06	DISLOCATED	ITASVCFEE
65,000.00	12579441	400538	42999	E&T ALLOC COST	CONTRACT SVCS
35,000.00	12578941	400811	RI220	REIMAGINE	GRANT EXP/Training Services
148,914.48	12579441	400538	42999	E&T ALLOC COST	CONTRACT SVCS
8,492.00	12579141	400812	42999	E&T ALLOC COST	East Bay Works
579,909.38					

E&T is requesting approval of a contract with the Oakland Private Industry Council to provide additional services as the Contracting/ Vendor Pay Agent for RichmondWORKS, Workforce Innovation and Opportunity Act (WIOA), and other grant-funded program participants in the form of Individual Training for Individual Training Accounts (ITAs) and On-the-Job Training (OJT) contracts, through June 30, 2025, and in an amount not to exceed \$579,909.38 (Attachment 2). The Oakland Private Industry Council will be compensated \$57,990 which is approximately 10 percent (a rate approved by the U.S. Department of Labor) of the total contract amount for their administrative, contracting/vendor pay agent, and employer of record services.

DOCUMENTS ATTACHED:

- Attachment 1 – OPIC Sole Source
- Attachment 2 – OPIC Contract thru June 30, 2025