



AGENCY: City Council
MEETING DATE: Oct. 23, 2017
DEPARTMENT: Community Development
PRESENTED BY: J. Owen
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AGENDA ITEM SUMMARY

TITLE:

RECEIVE REPORT AND CONSIDER ADOPTION OF CITY COUNCIL RESOLUTION APPROVING PROFESSIONAL SERVICES AGREEMENT WITH WEST ENTERPRISES, INC. DBA WEST COMPANY TO PROVIDE CDBG MICROENTERPRISE ASSISTANCE PROGRAM OPERATION SERVICES AND AUTHORIZING CITY MANAGER TO EXECUTE CONTRACT (AMOUNT NOT TO EXCEED \$216,586; ACCOUNT NO. 331-5036-0630)

ISSUE:

The City of Fort Bragg was awarded a 2016 Community Development Block Grant (CDBG) that includes funding to provide Microenterprise Assistance services. On July 24, 2017, a Scope of Work for a Microenterprise Assistance Request for Proposals (RFP) was approved by City Council. The RFP was released on August 14, 2017, and two responses were received by the due date of September 14, 2017. A City review team recommends award of a contract to West Enterprises, Inc. DBA West Company for Program Operation of the City's 2016 Microenterprise Assistance program.

ANALYSIS:

The City received notification in late October 2016 of a grant award of \$2 million from the 2016 CDBG allocation. The award includes up to \$216,743 for a Microenterprise Assistance Program (the Program). As described in the grant application, the Program is comprised of the following components:

- Up to \$183,488 for Microenterprise Technical Assistance
- Up to \$10,000 for Support Services
- Up to \$23,255 for micro-loans and grants

The City's prior CDBG grant from 2014 also include Microenterprise Assistance funding for the same components as are funded in the 2016 grant. The 2014 grant expenditure deadline is October 31, 2017. To ensure seamless continuation of the City's microenterprise assistance services while avoiding overlap of funding sources, the procurement process was scheduled so that services funded by the 2016 grant will begin upon termination of the 2014 grant expenditure period, on November 1, 2017.

A scope of work for operation of the Microenterprise Assistance Program that includes all program components list above was approved by City Council on July 24, 2017. The Request for Proposals (RFP) was released to a list of fifteen economic development consultants. The distribution list included economic development consultants recommended by the CDBG program as well as other consultant identified by staff. The list also included a consultant's clearing house and the California Association for Micro Enterprise Opportunity (CAMEO), both of which in turn distributed the City's RFP to their interested parties' mailing lists. In addition, the RFP was posted on the City's website and released to relevant City "notify me" lists.

By the response due date of September 14, 2017, two proposals were received, from West Enterprises, Inc. DBA West Company, and from The Ravens Mouth of Middletown (Lake County). A City review team comprised of Finance Director Victor Damiani, City Planner Scott Perkins, and Special Projects Assistant Natalie Gregory reviewed the two proposals and ranked them based on criteria listed in the RFP as follows:

- Responsiveness to the scope of work requested (30 points maximum)
- Capabilities and resources of the firm (15 points maximum)
- Qualifications and experience of key individuals (10 points maximum)
- Schedule for completion of work (15 points maximum)
- Budget and schedule of charges (30 points maximum)

Based on the above criteria, the review team unanimously recommends award of this contract to West Enterprises, Inc. DBA West Company. West Company provided a more thorough response to the scope of work including a timeline appropriate to the grant term and a feasible budget. In addition, West Company has successfully operated several prior Microenterprise Assistance Programs for the City of Fort Bragg.

RECOMMENDED ACTION:

Adopt City Council Resolution Approving a Professional Services Agreement with West Enterprises, Inc. DBA West Company for Community Development Block Grant Funded Microenterprise Assistance Program Operation Services, and Authorize City Manager to Execute Contract (Amount Not to Exceed \$216,586; Account No. 331-5036-0630).

ALTERNATIVE ACTION(S):

Do not award the contract to West Company. If a contract is not awarded and the program is not implemented by November 1, 2017, the City may be unable to expend program funds within the grant expenditure term which ends October 25, 2019. If a new RFP process is instigated, a larger response is unlikely since there are very few CDBG microenterprise operators in the state, and a new release of an RFP is unlikely to result in a different outcome.

FISCAL IMPACT:

The CDBG program provides funding for important community and economic development activities that would otherwise be unfunded due to lack of resources. Grant funding provided for the Microenterprise Program is adequate to provide technical assistance, support services, grants and loan funding to grow local small businesses. In addition, CDBG provides General Administration funding that is utilized by the City to pay for City staff time associated with managing the program.

CONSISTENCY:

The State CDBG mission is to improve the lives of low-and moderate-income residents through the creation and expansion of community and economic development opportunities, which supports livable communities for all residents. This mission is consistent with City Priority Areas established in City Council's February 2015 Goal Setting process including Priority Area 2 "A Prosperous Economy" (economic development and affordable housing activities). Provision of the Microenterprise Assistance Program is also consistent with the City's 2014 Economic Development Strategy includes growing and retaining businesses with business technical support and resources (Strategies 1.1 and 1.2).

IMPLEMENTATION/TIMEFRAMES:

If the contract with West Enterprises, Inc. DBA West Company is approved, a contract will be executed with a start date of November 1, 2017. The program may provide activities until October 25, 2019, which is the expenditure termination date for the 2016 CDBG grant.

ATTACHMENTS:

1. Resolution
2. Draft Contract including West Company scope of work, timeline and budget.

NOTIFICATION:

1. Mary Anne Petrillo, CEO, West Company