



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Human Services Agency



**Date:** October 7, 2014  
**Board Meeting Date:** October 21, 2014  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Iliana Rodriguez, Director, Human Services Agency

**Subject:** Revenue agreement with South Bay Recycling

**RECOMMENDATION:**

Adopt a resolution authorizing a revenue agreement with South Bay Recycling (SBR) to provide a work program for Vocational Rehabilitation Services participants with employment barriers through SBR's recycling program in which SBR will reimburse the County for participant wages, incentive bonuses, supervision costs and administrative costs. It is anticipated that SBR will reimburse up to \$7,650,661 over the three year term of January 1, 2015 to December 31, 2017.

**BACKGROUND:**

San Mateo County residents with barriers to employment are in need of training in order to obtain jobs. The Vocational Rehabilitation Services (VRS) of the Human Services Agency is collaborating with the recycling industry to provide training and employment opportunities to the hard-to-employ population. VRS has had similar contracts in the past and has been successful in placing those participants with barriers back into the workforce.

**DISCUSSION:**

With your Board's support of this revenue Agreement, VRS participants with employment barriers will be placed into a paid job training program, which will open up job opportunities and lead to self-sufficiency. This work program will also benefit SBR as they receive recycling services for a fair price. SBR through this revenue Agreement agrees to reimburse VRS for wages paid to the participants, incentive bonuses, the cost of supervision and administrative costs.

This work program is designed to serve 50 or more participants annually, but the actual number could be higher or lower. Reimbursement to VRS annually is anticipated to be up to \$2,579,138. This amount will vary based on the number of participants hired by SBR into the work program and be based on actual costs associated with wages,

incentive bonuses, the cost of supervision and administration costs to operate the program.

The Contractor has assured compliance with the County's Contractor Employee Jury Service Ordinance, as well as all other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to insurance, hold harmless, non-discrimination and equal benefits. County Counsel has reviewed and approved this Agreement and the Resolution as to form and Risk Management has approved the Contractor's insurance for this Agreement.

Approval of this Agreement contributes to the Shared Vision 2025 outcome of a Prosperous Community by providing training and enabling individuals with barriers to employment to increase skills which will lead to a broader range of job opportunities and self-sufficiency. It is anticipated that at least 40% of the 50 or more participants will find employment within 90 days after completing training in the calendar year 2015, and that there will be an increase in those finding employment over the term of the Agreement.

**PERFORMANCE MEASURE(S):**

Measure	Year 2015 Projected	Year 2016 Projected
Percentage of participants who will continue employment after the program.	40%	45%

**FISCAL IMPACT:**

The term of this revenue Agreement is January 1, 2015 through December 31, 2017. The revenue generated by this Agreement with South Bay Recycling is anticipated to be \$7,560,661 over the next three years and in addition up to \$90,000 in incentive bonuses for a total of up to \$7,650,661. This amount will vary based on the number of actual participants in the program. Of the total amount \$2,485,197 in revenue will be realized in calendar year 2015, \$2,526,326 in year 2016 and \$2,549,138 in year 2017 with up to \$30,000 a year in incentive bonuses to the participants. There is no Net County Cost associated with this Agreement.