



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Human Services Agency



Date: February 14, 2017
Board Meeting Date: March 14, 2017
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 to provide a supported employment work program for Vocational Rehabilitation Services participants with employment barriers through South Bay Recycling's recycling program, for the term March 14, 2017 through December 31, 2020, in an anticipated reimbursement amount not to exceed \$6,857,659 from South Bay Recycling to the County of San Mateo.

BACKGROUND:

San Mateo County residents with barriers to employment are in need of training in order to obtain jobs. Human Services Agency's Vocational Rehabilitation Services (VRS) 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 South Bay Recycling (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, 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. The average annual reimbursement to VRS is anticipated to be up to \$1,714,415. 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, the cost of supervision and administration costs to operate the program.

County Counsel has reviewed and approved this agreement and the resolution as to form. The Contract Compliance Committee has approved a 3-year waiver.

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. This agreement is aligned with the Living Wage Ordinance and participant wages will increase accordingly. It is anticipated that at least 40% of the 50 or more participants will find employment within 90 days after completing training in FY 2016-17, and that there will be an increase in those finding employment over the term of the agreement.

PERFORMANCE MEASURE(S):

Measure	Fiscal Year 2016-17 Projected	Fiscal Year 2017-18 through FY 2019-20 Projected
Percentage of participants who will continue employment after the program.	40%	45%
Percentage of participants who report 80% satisfaction with program participation.	80%	80%

FISCAL IMPACT:

The term of this revenue agreement is March 14, 2017 through December 31, 2020. The revenue generated by this agreement with South Bay Recycling is anticipated to be \$6,857,659 over the next three years. This is based on calendar year and amount will vary based on the number of actual participants in the program. Of the total revenue amount, \$1,512,084 will be realized 2017, \$1,643,850 in 2018, \$1,785,632 in 2019, and \$1,916,093 in 2020. There is no Net County Cost associated with this agreement.