



Staff Report Item 5

TO: East Bay Community Energy Board of Directors

FROM: Bruce Jensen, Alameda County Community Development Agency
Inder Khalsa, Interim General Counsel

SUBJECT: Data Management and Call Center RFP – Local Hire Preference

DATE: May 17, 2017

Recommendations

Provide direction to staff regarding local hire requirements in EBCE Data Management and Call Center Services Request for Proposal (RFP). Staff recommends that the RFP incorporate a preference for respondents who meet the County SLEB requirements with a 5 to 10% bonus at the Board's direction.

Analysis and Discussion

On April 12, the Board directed staff to prepare a Request for Proposals for Data Management and Call Center Services. The County of Alameda had initiated an RFP but opted to reject all bids when issues arose regarding the need to clarify certain bid requirements. The Board directed Staff to include Alameda County's Small, Local, Emerging Business or "SLEB" requirements in the EBCE's bid requirements. The County's SLEB process works generally as follows:

- Local business respondents, whether or not they are a certified SLEB, get a 5 point advantage.
- Local business respondents who are a certified SLEB get an additional 5 point bonus.
- Businesses that subcontract with a SLEB for 20% of the work do not get a bonus, but do not require a waiver.
- Businesses that do not meet any of the above may apply for a waiver, or may be disqualified.

In order to qualify for certification as a local small or emerging business, a business must have been located in Alameda County for at least six months and meet certain federal U.S. Small Business Administration requirements with regard to size. Certification takes several months to process and is not an option for businesses that are not already located in Alameda County. When the County released the multi-service vendor RFP, of which Data Management and Call Center services were a part, it did not receive a response from any primary contractor that was a SLEB. One respondent, Pilot Power, had subcontracted with a county-certified SLEB, Direct Line TeleResponse, for 20% of the contract award. Therefore, Pilot Power did not require a waiver under the County's process.

Subsequent to the April 12 meeting, staff received a letter from Calpine Energy Solutions, LLC, a respondent to the County's RFP and potentially a respondent to the EBCE's RFP. In that letter, Calpine stated that Direct Line TeleResponse is the only call center that is an Alameda County-certified SLEB and that Direct Line TeleResponse will not subcontract with Calpine. Calpine further states that its proposed call center sub, Energy Choice California, is not currently eligible for County certification since they do not currently have an office location in Alameda County, but would be willing to open an office in the EBCE service area and seek certified SLEB status when they are eligible.

EBCE staff has confirmed that Direct Line TeleResponse is the only County-certified call center SLEB. There are a number of non-certified call center SLEBs in the County, but none appear to have the capacity required for the scope of work. Staff would note that carrying the County's SLEB process as it is currently constructed into the EBCE's RFP could result in fewer responses and a less competitive process. More flexibility in the Data Management and Call Center RFP would allow the Board to consider respondents that do not currently meet the County-certified SLEB requirement set forth in the County's procurement process.

Other CCAs, including Valley Clean Energy and Marin Clean Energy, have adopted their own local hiring preference policies, which may be something that the EBCE would like to consider in the future. Given the time-sensitivity of the Data Management/Call Center RFP, however, staff is recommending that the Board provide direction on local hire preference language to be included in this RFP and specific to this contract. A formal policy, with provisions for different types of contracts, could be adopted at a later time.

For the purposes of this RFP, staff recommends that respondents who meet the County's SLEB requirements be given a 5 to 10% advantage, at the Board's direction. Respondents who do not meet the County's SLEB requirements would be able to respond to the RFP and would not require a waiver or be disqualified. Staff also considered a number of other options with varying degrees of flexibility, and are prepared to discuss those options if the Board desires.

Fiscal Impact:

The fiscal impact of this recommendation is not expected to be significant, although additional flexibility in the RFP requirements could potentially increase the number of entities able to competitively bid on the RFP.

Attachments:

5A: Letter from Calpine Energy Solutions, dated April 27, 2017

5B: Alameda County Small Local Emerging Business Program Guide