

Robert P. Astorino  
County Executive

Department of Social Services

Kevin M. McGuire  
Commissioner

**53844]**

DATE: December 12, 2016

TO: Board of Acquisition & Contract

FROM: Kevin M. McGuire, Commissioner  
Department of Social Services

RE: Authority to exercise an option under an agreement with Hospitality Resource Group, Inc. ("HRG") pursuant to which HRG will serve as a Business Sector Partnership Manager to organize stakeholders from key industry sectors in the Westchester and Putnam County area to develop plans for addressing their respective workforce needs, by extending the term of the agreement for one (1) additional year commencing on October 1, 2016 and continuing through September 30, 2017 in an amount not-to-exceed \$46,500 to be paid in equal monthly installments.

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By resolution approved on November 24, 2015 (the "November 24<sup>th</sup> Resolution"), your Honorable Board authorized the County of Westchester, acting by and through its Department of Social Services, Office of Workforce Development (hereinafter the "Department"), on behalf of the Westchester-Putnam Local Workforce Development Board (the "WDB"), to enter into an agreement with Hospitality Resource Group, Inc. ("HRG"), pursuant to which HRG would serve as the WDB's Business Sector Partnership Manager to organize stakeholders from key industry sectors in the Westchester and Putnam County area to develop plans for addressing their respective workforce needs, for the period from October 1, 2015 through September 30, 2016 for a total aggregate amount not to exceed \$46,500, to be paid monthly pursuant to an approved budget (the "Agreement"). The November 24<sup>th</sup> Resolution further authorized the County, in its sole discretion, to extend the term of Agreement for up to three additional one (1) year periods based on HRG's performance, availability of funding and the WDB's determination that this service continues to be a local workforce need. The Agreement was subsequently executed.

The Department now desires to exercise its first option under the Agreement to extend the term thereof for one additional year commencing on October 1, 2016 and continuing through September 30, 2017. In consideration for services to be rendered during the extended term, the County shall pay HRG an amount not-to-exceed \$46,500, payable monthly pursuant to an approved budget, thereby increasing the total aggregate not-to-exceed amount under the Agreement, as hereby amended, from \$46,500 to \$93,000.

The Agreement will serve a public purpose by helping unemployed and under employed One Stop Career Centers customers find employment in growing sectors and reduce or eliminate their reliability on government assistance.

The goals and objectives of this program will be help unemployed and under employed individuals find employment in growing sectors to reduce or eliminate their reliability on government assistance.

The goals and objectives of this program are in the best interests of the County in terms of assisting County residents find employment in growing sectors because this would reduce or eliminate their reliability on government assistance.

The goals and objectives will be tracked and monitored by program staff assigned to this project.

It should be noted that the Department previously complied with sections 5 and 13 of the Westchester County Procurement Policy. On August 18, 2015, the Department issued an RFQ seeking proposals from public and private non-profit agencies to administer the WIOA Sector Partnership Manager program. The RFQ was posted on the County and One Stop websites, was advertised in the Journal News and was emailed to various One Stop partners. Despite these efforts, only one agency, HRC, submitted a proposal. After a careful review of the proposal with reference to the evaluation criteria set forth in the RFQ, HRG was selected by the review committee.

As your Honorable Board may know, the Federal Common Grant Rules (29 CFR 97.36 (f)) also require grantees to conduct a price or cost analysis prior to exercising a renewal option for agreements paid for with grant funds, to determine the reasonableness of the proposed contract price. In an effort to comply with this requirement, the office did a cost analysis by comparing the estimated cost from two agencies; Westchester County Association and The Business Council of Westchester and also reviewed the option of using current County staff to provide these services, to see if these agencies charged similar prices for the same services. We learned that these agencies charges between \$65,000- \$97,200 annually for these services. Accordingly, for the reasons set forth above, we have concluded that exercising the option to extend the term of the Agreement with HRG for \$46,500 is reasonable.

An appropriate resolution is herewith attached for your Honorable Board's consideration.

KMM/SNL/jpg  
Attachment

RESOLUTION

UPON A COMMUNICATION FROM THE COMMISSIONER, WESTCHESTER COUNTY DEPARTMENT OF SOCIAL SERVICES, BE IT HEREBY:

RESOLVED, that the County of Westchester, acting by and through its Department of Social Services, Office of Workforce Development, on behalf of the Westchester-Putnam Local Workforce Development Board (the "WDB"), is hereby authorized to exercise the first of its three options under an agreement with the Hospitality Resource Group, Inc. ("HRG"), pursuant to which HRG will serve as a Business Sector Partnership Manager to organize stakeholders from key industry sectors in the Westchester and Putnam County area to develop plans for addressing their respective workforce needs (the "Agreement"), by extending the term of the Agreement for one (1) additional year commencing on October 1, 2016 and continuing through September 30, 2017; and be it further

RESOLVED, that in consideration for services to be rendered during the extended term, the County shall pay HRG an amount not-to-exceed \$46,500 to be paid in equal monthly installments, thereby increasing the total aggregate amount under the Agreement, as hereby amended, from \$46,500 to \$93,000; and be it further

RESOLVED, that the County Executive or his duly authorized designee be, and hereby is, authorized to take such actions and execute such documents as may be necessary and appropriate to effectuate the purposes hereof.

Original Amount: \$46,500

**This Amendment: \$46,500**

Total: \$93,000

Agreement #

Account to be

Charged/Credited

	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
2016	275	22	402R	7338	T402	\$23,250
2016	275	22	403R	7338	T403	\$23,250

Budget Funding Year(s): 2016 Start Date: 10/01/16 End Date: 09/30/17

(Must match resolution)

Funding Source

Tax Dollars:

State Aid:

\$46,500

Federal Aid: 100%

(Must match resolution)

Other: