

EXECUTIVE COMMITTEE



ACTION ITEM: 1.4

SUBMITTAL DATE: June 15, 2016

SUBJECT: Funding Recommendation for Business Process Improvement Services

RECOMMENDED MOTION: That the Workforce Development Board (WDB) Executive Committee approve Program Year 2016/17 Workforce Innovation and Opportunity Act (WIOA) Rapid Response Funding recommendations for California Manufacturing Technology Consulting, Business Process Improvement Services to provide business improvement services for Riverside County businesses.

BACKGROUND: In support of the WDB's Strategic Plan, the Economic Development Agency/Workforce Development Division released a Request for Proposal (RFP) on September 28, 2015 to procure for Business Process Improvement Services for program year 2015/16. The purpose of the procurement is to complement both Rapid Response and job retention for businesses struggling to remain competitive. The consultant may provide several services to the business, customized based on their need, such as, developing methods to adapt to rapid growth, customer demand and how to manage business processes more efficiently. Business Process Improvement Services include assistance with lay-off aversion, job-retention services, strategic and financial planning, quality assurance, energy efficiency, IT systems and human resource development. The procurement was valid for three years, with the option to renew contracts annually based on the contractor performance and available Rapid Response funds. Three proposals were received before the closing date on October 28, 2015. Upon reviewing the proposals, only one bidder was determined to meet the specification in the RFP. The two other bidders did not meet the minimum specifications as outlined in the RFP.

California Manufacturing Technology Consultants (CMTC) was recommended to the WDB to provide business process improvement services consulting. CMTC is a private non-profit 501 (c) 3 corporation established in 1992 and has provided manufacturers training, consulting and technical services for improving productivity and implementing growth strategies through innovation to impact top line growth, bottom-line savings and global competitiveness. CMTC has implemented a Manufacturing Business Assistance and Layoff Aversion Service (LAS) programs with eleven Workforce Investment Boards (WIBs). CMTC successfully partnered with Riverside County Workforce Investment Board in PY 2014-15. Results of this partnership with the Riverside County WIB provided Manufacturing sector business process improvement and layoff aversion services to 10 manufacturers resulting in 123 jobs retained, \$16.5M in retained sales, \$5.77M in forecasted increased sales and \$2.897M in cost savings.

CMTC was awarded the contract for \$100,000 during program year 2015/16, with a contract period of January 1, 2016 through June 30, 2016 to provide lay-off aversion, job-retention services, strategic and financial planning, quality assurance, energy efficiency, IT systems and human resource development. CMTC has been on target to meet the performance in the current year contract as demonstrated by their year-to-date summary of activities.

As of this date we have not received Rapid Response funding allocations for PY 2016/17, however we expect funds by late June/July and expect increases for 2016/17. As a result, the funding

recommendation is a minimum of \$50,000 and a maximum of \$100,000. Final amount will be based on actual allocations. CMTC is recommended for renewal of the Business Process Improvement Services agreement for PY 2016/17 not to exceed \$100,000 with the agreement period of July 1, 2016 through June 30, 2017.

An additional Business Process Improvement Services procurement is being released on June 20, 2016 to address the other WDB's priority industries.

Consultant	Target Business Sector	Total
California Manufacturing Technology Consulting	Manufacturing	\$100,000
TOTAL AMOUNT NOT TO EXCEED		\$100,000

EXECUTIVE COMMITTEE Date: 06/15/2016 Approval: Yes	BOARD OF SUPERVISORS CONCURRENCE Required: Yes
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