

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

August 22, 2023

FROM

LUTHER SNOKE, Chief Operating Officer, County Administrative Office

SUBJECT

Contract with Blue Sky Consulting Group, LLC for Consultant Services

RECOMMENDATION(S)

1. Approve **Contract No. 23-921**, including non-standard terms, with Blue Sky Consulting Group, LLC for consulting services to provide a comprehensive study on all options to obtain the County's fair share of state and federal resources, in the amount of \$192,400, for the period of August 22, 2023 through August 21, 2024.
2. Authorize the Auditor-Controller/Treasurer/Tax Collector to post the necessary budget adjustments to the County Administrative Office 2023-24 Budget, as detailed in the Financial Impact section (Four votes required).

(Presenter: Matthew Erickson, County Chief Financial Officer, 387-5423)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

FINANCIAL IMPACT

Approval of the contract for consulting services with Blue Sky Consulting Group, LLC (Blue Sky), in the amount of \$192,400, will result in the use of Discretionary General Funding (Net County Costs). The following budget adjustments for County Administrative Office (CAO) 2023-24 costs are requested:

Fund Center	Commitment Item	Description	Action	Amount
1280001000	56006000	Contingencies	Decrease	\$192,400
1100001000	52002445	Other Professional & Specialized Services	Increase	\$192,400

BACKGROUND INFORMATION

On August 9, 2022 (Item No. 62), the Board of Supervisors (Board) approved an ordinance to place a measure on the ballot asking if the citizens of the County want the Board to study all options to obtain the County's fair share of state and federal resources, up to and including secession from the State of California.

In the November 2022 General Election, San Bernardino County voters approved the fair share initiative Measure EE, directing the elected representatives of the County to study and advocate for all methods for receiving an equitable share of state and federal resources.

**Contract with Blue Sky Consulting Group, LLC for Consultant Services
August 22, 2023**

Approval of Recommendation No. 1 will allow Blue Sky to collaborate with the County to perform the comprehensive study. Blue Sky specializes in quantitative analysis and strategic insights into intricate public policy issues. The company will utilize data-driven methodologies to assess if the County is receiving its fair share of state and federal resources. Blue Sky will conduct regular meetings and project updates to ensure the analysis is rooted in the current needs and challenges of the County. Additionally, they will prepare specific deliverables, including a work plan, fair share measures, and a final report detailing their findings, methodologies, strategies, and recommended actions.

The contract contains terms that differ from the standard County contract terms. The non-standard terms include the following:

1. Blue Sky's indemnification is limited to liability arising out of Blue Sky's negligent performance under the contract.
 - The County standard contract indemnity provision requires the contractor to indemnify, defend and hold the County harmless from third party claims arising out of the acts, errors or omissions of any person.
 - Potential Impact: The Blue Sky indemnification obligation means that any claim that does not arise out of Blue Sky's negligent performance under the contract may not be covered by the indemnification obligation.
2. Blue Sky's maximum liability to the County under the indemnification clause is limited to the amount of the contract.
 - The County standard contract does not include a limitation of liability.
 - Potential Impact: Claims could exceed the contract amount leaving the County financially liable for the excess amount.

The CAO recommends approval of the Contract, including the non-standard terms, to align with the County's commitment to ensuring equitable distribution of state and federal resources. Partnering with Blue Sky will empower the County with a data-driven analysis, which is pivotal in achieving the County's objectives and responding to the voters' mandate as indicated in Measure EE.

PROCUREMENT

In April 2023, the County Administrative Office – Finance and Administration released Request for Proposals No. CAO123-CAO4-4982 to solicit interested and qualified agencies for consulting services to provide a comprehensive study that will provide effective strategies for securing additional allocations of state and federal resources to the County. Proposals were received by the established deadline from Blue Sky and Capitol Matrix Consulting.

All proposals met the requirements and continued in the evaluation process. An evaluation committee comprised of three representatives from the County Administrative Office reviewed and evaluated the proposals based on the following criteria: qualifications and experience, financial review, technical review, and references. Based on the evaluation criteria, the evaluation committee recommended a contract be awarded to Blue Sky. The unsuccessful candidate was notified by mail and no protests were received.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Julie Surber, Principal Assistant County Counsel, 387-5455) on August 4, 2023; Purchasing (Michelle Churchill, Supervising Buyer, 387-

**Contract with Blue Sky Consulting Group, LLC for Consultant Services
August 22, 2023**

2070) on August 7, 2023; Risk Management (Victor Tordesillas, Director, 386-8623) on August 18, 2023; Finance (Carl Lofton, Administrative Analyst, 387-5404) on August 7, 2023; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on August 7, 2023.

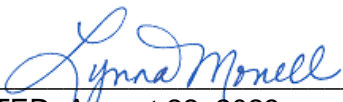
**Contract with Blue Sky Consulting Group, LLC for Consultant Services
August 22, 2023**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.
Absent: Col. Paul Cook (Ret.)

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: August 22, 2023



cc: CAO - Lofton w/agree
Contractor - c/o CAO w/agree
File - w/agree
CCM 08/29/2023