

**COUNTY OF SONOMA
AGENDA ITEM
SUMMARY REPORT**

Clerk of the Board Use Only
Meeting Date **Held Until**
 / / / /
Agenda Item No: **Agenda Item No:**

Department: Economic Development Board

() **4/5 Vote Required**

Contact:
Ben Stone

Phone:
(707) 565-7170

Board Date:
6/23/09

Deadline for Board Action:

AGENDA SHORT TITLE: Moody's Analytics, Inc. Consulting Agreement

REQUESTED BOARD ACTION: Approve and authorize the Chairman of the Board to execute an agreement with Moody's Analytics, Inc. (\$35,900)

CURRENT FISCAL YEAR FINANCIAL IMPACT

<u>EXPENDITURES</u>		<u>ADD'L FUNDS REQUIRING BOARD</u>	
Estimated Cost	\$ 35,900	Contingencies	\$ 0
		(Fund Name:)	
Amount Budgeted	\$ 35,900	Unanticipated Revenue	\$ 0
		(Source:)	
Other Avail Approp.	\$ 0	Other Transfer(s)	\$ 0
(Explain below)		(Source:)	
Additional Requested:	\$ 0	Add'l Funds Requested:	\$ 0

Explanation (if required):

Prior Board Action(s):

On July 8, 2008 your board approved and authorized the Chairman of the Board to execute an agreement with Moody's Analytics, Inc.

Alternatives - Results of Non-Approval:

Direct staff to perform research internally at significant costs resulting in the department's inability to successfully complete other objectives for the year.

Background:

(On File with Clerk: Moody's Analytics, Inc. Consulting Agreement)

The Economic Development Board (EDB) prepares and presents a variety of statistical data and reporting mechanisms in order for Sonoma County businesses to make informed decisions. The EDB publishes a monthly local economic report series designed to provide business-planning information for local companies and organizations. It offers both research and publications that profile local economic statistics, industry trends, and relevant analysis. The EDB releases five to seven individual sector reports each year, in addition to Quarterly Business Confidence Reports, bi-monthly sector reports, monthly Business Barometer and the Annual Economic and Demographic Profile report.

Moody's Analytics, Inc. (formerly Moody's Economy.com) is a leading independent provider of economic, financial, and industry research. The EDB uses Moody's Analytics, Inc. research as the foundation and core source of economic data. Moody Analytics, Inc's national reputation lends credibility to all of the EDB's reports.

Specifically, the following reports will be completed within the scope of this agreement.

1. An annual report addressing the economic issues and events related to nine sectors.
2. Three (3) semester reports including, at minimum, a five-year forecast for employment, unemployment, income growth, population, housing activity, and cost-of-doing business index.
3. Six (6) industry reports providing a written analysis on current and anticipated trends related to wine, healthcare, tourism, technology, finance/real estate and construction/green services.
4. An annual presentation by lead economist, Steve Cochrane, at the EDB's Economic Outlook breakfast.

A Request for Proposals (RFP) for economic and technical research services was issued in March 2008 with the intent to issue an RFP every three years due to the relative small amount of the contract and limited number of contractors with the ability to provide such services. Moody's was selected by a committee of local business leaders and county staff. Three firms submitted proposals, they were Moody's Analytics Inc, Beacon Economics and Sonoma State University. Moody's Analytics, Inc. provides a wide spectrum of expertise, data sets and analytical resources which the EDB leverages at a fraction of what it would cost to produce internally to provide unparalleled economic data and analysis for Sonoma County. If the EDB were to develop these specific economic and technical research service internally the costs would exceed \$200,000 in staffing, training, subscription services and software.

REQUESTED BOARD ACTION:

Approve and authorize the Chairman of the Board to execute an agreement with Moody's Analytics, Inc. (\$35,900).

Attachments: None

On File With Clerk: Moody's Analytics, Inc. Consulting Agreement

CLERK OF THE BOARD USE ONLY

Board Action (If other than "Requested")

Vote: