

CITY OF OAKLAND

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OAKLAND

2019 JAN 10 PM 3:34

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Ian Appleyard
Director, Human Resources
Management

SUBJECT: Extension of Temporary Employment
Agency On-Call Contracts

DATE: December 24, 2018

City Administrator Approval

Date:

1/10/19

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To Execute A Two Year Extension For Existing On-Call Professional Service Agreements With (1) HR Management, Inc., (2) Robert Half International And (3) TemPositions, Inc. To Provide Temporary Employment Agency Services On An As-Needed And Rotating Basis At A Cost Not To Exceed \$1,000,000 Per Contract, Which Is An Increase Of \$750,000 Per Contract, For A Total Contracting Cost Not To Exceed \$3,000,000 Through July 1, 2022 And Waiving The Competitive Request For Proposals/Qualifications Process.

EXECUTIVE SUMMARY

City Council approval will extend and increase the not to exceed contract amounts for three existing temporary employment agencies that were selected as a result of a formal Request for Proposals process in March 2016. The contracts are slated to expire on July 1, 2020 and have reached the not to exceed contract amount. Extending the length of the contracts and increasing the capped dollar threshold with the three agencies, HR Management, Inc., Robert Half International and TemPositions, Inc. will allow immediate access to critically important temporary employment agency services.

Authorization of this resolution will result in an extension of the current contracts with HR Management, Inc., Robert Half International and TemPositions, Inc. for two (2) years to provide temporary employment agency services on an as-needed and rotating basis through July 1, 2022. The contract amount for HR Management, Inc, will increase by \$750,000 with a new total contract amount not to exceed \$1,000,000, and the Robert Half International contract will increase by \$750,000 with a new total contract amount not to exceed \$1,000,000 and the TemPositions, Inc contract will increase by \$750,00 with a new total contract amount not to exceed \$1,000,000. This will allow the City to engage temporary agency employees as needed for short-term, temporary assignments in accordance with existing City policy.

Item: _____
Finance & Management Committee
January 15, 2019

BACKGROUND / LEGISLATIVE HISTORY

On March 28, 2016, the City of Oakland issued a request for proposal (RFP) for temporary employment services. As a result of the RFP process, the City Council authorized Resolution No. 86726 C.M.S for the City to enter in to contract with three on-call temporary employment agencies in July 2017. The three firms were HR Management, Inc., Robert Half International and TemPositions, Inc.

Since the initiation of the contracts, the City has utilized HR Management, Inc., Robert Half International and TemPositions, Inc. for a variety of job classifications up to the allowable one hundred and twenty (120) day maximum. To date, all three of the temporary employment agencies have reached the not to exceed amount of \$250,000.

ANALYSIS AND POLICY ALTERNATIVES

The City Charter (Article IX, Section 902e) and the Personnel Manual of the Civil Service Board (the "Civil Service Rules"), section 5.06(e), provides that temporary vacancies of permanent positions or short term needs may be filled by engaging temporary agency services for a period up to 120 days. The City has historically retained on-call contracts with several temporary employment agencies to provide short term staffing as needed. Under the proposed contract extensions, temporary assignments will be consistent with City policy.

Short-term temporary staffing needs arise for a variety of reasons including vacancies of permanent positions pending recruitment, approved leave for permanent employees, increased activities for special projects, short term projects like inventory assessment or high volume document retention, etc. It is not always practical or operationally feasible to address these short term needs with existing staff. Instead, the services of a temporary employment agency can readily draw on an existing pool of available workers and provide the temporary staffing quickly and efficiently.

Generally speaking, short term staffing needs in the City have fallen into the categories of general administrative or secretarial support, accounting or fiscal support, or information technology support. The three recommended vendors have available pools of candidates and can expediently provide staffing for these types of assignments.

The three temporary employment agencies, HR Management, Inc., Robert Half International and TemPositions, Inc. have proven performance records on facilitating the City's temporary employment services requirements by providing highly qualified candidates for immediate short-term staffing assignments. Since the three temporary employment agencies have been identified and vetted previously through a formal RFP process, it would be prudent for the City to continue to work with them all to support this area of need.

The Oakland Municipal Code section 2.04.051.A requires the City Administrator to conduct a Request for Proposal (RFP) process for professional services contract in excess of \$50,000 and Oakland Municipal Code section 2.04.051.B allows Council to waive the RFP requirements upon a finding by the Council that is in the best interest of the City to do so.

The Human Resources Management Department recommends that Council waive the RFP requirements for this contract increase and extension. Completing a new RFP cycle would take several months. The City urgently needs highly qualified temporary employment agencies available to fill critical short-term positions. So complying with the advertising requirements and completing a full RFP process would impede the City's ability to staff critical temporary absences and short-term assignments that arise unexpectedly and require an immediate staffing solution. Since all three firms were selected relatively recently and were approved by City Council in May 2017, it would be inefficient to undergo a new advertising and RFP process and hinder the City's ability to provide immediate temporary staffing resources in accordance to City policy. The Human Resources Management Department does intend to initiate a new RFP process in mid-year 2021.

FISCAL IMPACT

Fiscal impacts are assessed at the time a temporary staffing need arises. Any temporary assignment will be funded by the requesting department's personnel or special project allocation, per the City of Oakland fiscal year (FY) 2017-19 Adopted Budget. Approval of these contracts does not require the allocation of additional funding.

The costs of administering temporary services, including monitoring agency performance are allocated within the HRM Department's current budget.

PUBLIC OUTREACH / INTEREST

On March 28, 2016, the City of Oakland issued a request for proposal (RFP) for temporary employment services. The RFP was advertised in the Bay Area News Group, Oakland El Mundo, Oakland Post and Tsing Tao as well as promotion through the City's procurement portal which is called iSupplier, with notification to pre-registered vendors under the following industry codes: 561320-Temporary Help Services, 561330-Professional Employer Organizations and 541612-Human Resources Consulting Services categories.

As a result of that RFP process, the City entered into contract with three temporary employment agencies in July 2017. The three firms were HR Management, Inc., Robert Half International and TemPositions, Inc.

COORDINATION

HRM staff worked closely with the City Administrator's Contracts and Compliance Division to ensure that the process for requesting contract extensions and increases to the not to exceed amount complied with the City's contracting and purchasing requirements. This report has been reviewed and approved the City Attorney's Office, Finance Department's Budget Bureau and Contracts and Compliance.

SUSTAINABLE OPPORTUNITIES

Economic: Each of these firms is either based in Oakland or has an Oakland office. They have been evaluated by the City's Contract Compliance Division and were determined to be compliant or in the process of becoming compliant with Oakland's Local/Small Local Business Enterprise (LBE/SLBE) program.

Environmental: The firms recommended in this report utilize business practices that are consistent with Oakland's certification as a Green City.


Social Equity: One of the recommended agencies is a local minority owned business (HR Management, Inc). A total of three firms have local offices. Part of the evaluation process for these agencies included evaluating their current practice and commitment to hiring Oakland residents.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a Resolution Authorizing the City Administrator to Execute a Two Year Extension for Existing On-Call Professional Service Agreements with (1) HR Management, Inc., (2) Robert Half International and (3) TemPositions, Inc., to Provide Temporary Employment Agency Services on an As-Needed and Rotating Basis at a Cost Not to Exceed of \$1,000,000 Per Contract, which is an Increase of \$750,000 Per Contract for a Total Contracting Cost Not to Exceed \$3,000,000 through July 1, 2022 and Waiving the Competitive Request for Proposals/Qualifications Process

For questions regarding this report, please contact Greg Preece, Human Resource Manager, (510) 238-7334.

Respectfully submitted,



FOR IAN APPEYARD
Director, Human Resources Management

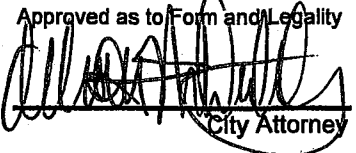
Reviewed by:
Greg Preece, Human Resources Manager
Recruitment, Classification & Benefits Division

Prepared by:
Lisa Wright, HR Operations Supervisor
Recruitment, Classification & Benefits Division

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2019 JAN 10 PM 3:34

OAKLAND CITY COUNCIL

Approved as to Form and Legality

City Attorney

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A TWO YEAR EXTENSION FOR EXISTING ON-CALL PROFESSIONAL SERVICE AGREEMENTS WITH (1) HR MANAGEMENT, INC., (2) ROBERT HALF INTERNATIONAL AND (3) TEMPOSITIONS, INC. TO PROVIDE TEMPORARY EMPLOYMENT AGENCY SERVICES ON AN AS-NEEDED AND ROTATING BASIS AT A COST NOT TO EXCEED \$1,000,000 PER CONTRACT, WHICH IS AN INCREASE OF \$750,000 PER CONTRACT, FOR A TOTAL CONTRACTING COST NOT TO EXCEED \$3,000,000 THROUGH JULY 1, 2022 AND WAIVING THE COMPETITIVE REQUEST FOR PROPOSALS/QUALIFICATIONS PROCESS

WHEREAS, Article IX, Section 902(e) of the Charter of the City of Oakland authorizes the City Council to provide for temporary employment services; and

WHEREAS, the City Council finds that the performance of the service by contract, is in the public interest because of operational efficiency in conducting City business; and

WHEREAS, existing budgeted allocations for personnel and contracted services within City departments shall be used to fund the temporary agency services as needed; and,

WHEREAS, fiscal impacts are assessed at the time a temporary staffing need arises, any temporary assignment will be funded by the requesting department personnel or special project allocations per the City of Oakland fiscal year (FY) 2017-19 Adopted Budget; and

WHEREAS, approval of these contracts does not require the allocation of additional funding, the cost of administering temporary employment agency services including monitoring agency performance are allocated within the Human Resource Management Department's current budget; and

WHEREAS, the City had undertaken an extensive Request for Proposal (RFP) process in May 2016 which resulted in the selection of three (3) firms in July 2017 including HR Management, Inc., Robert Half International, TemPositions, Inc., to provide on-call temporary employment services on an as-needed and rotational basis for the City; and

WHEREAS, the three agencies, HR Management, Inc., Robert Half International, and TemPositions, Inc., have reached the not-to-exceed amount of \$250,000; and

WHEREAS, completing the new Request for Proposal cycle would take several months which would impede the City's ability to staff critical temporary absences and short-term assignments that arise unexpectedly and require an immediate staffing solution; and

WHEREAS, the City urgently needs to have highly qualified temporary employment agencies available to fill critical short-term positions and the ability to provide services in accordance to City policy; and

WHEREAS, all three firms, HR Management, Inc., Robert Half International and TemPositions, Inc. have been vetted previously through a formal RFP process and have demonstrated the capability to effectively assist the City in providing highly qualified candidates for immediate and short-term assignments; and

WHEREAS, it would be prudent and efficient for the City to continue to work with HR Management, Inc., Robert Half International and TemPositions, Inc. to support temporary staffing requirements; and

WHEREAS, the Oakland Municipal Code section 2.04.051.A requires the City Administrator to conduct a Request for Proposal (RFP) process for professional services contract in excess of \$50,000 and Oakland Municipal Code section 2.04.051.B allows Council to waive the RFP requirements upon a finding by the Council that is in the best interest of the City to do so; and

WHEREAS, City staff recommends waiving the RFP requirements for this contract increase and extension for the reasons stated above; now therefore be it,

RESOLVED, that the City finds and determines the foregoing recitals to be true and correct and hereby adopts and incorporates them into this resolution; and be it

FURTHER RESOLVED, that the competitive RFP process is hereby waived in the best interest of the City based on the foregoing findings, and be it

FURTHER RESOLVED, that pursuant to Oakland Municipal Code section 2.04.051.B and for the reasons stated above and in the Human Resource Management Director's report accompanying this item, the City Council finds that is in the best interest of the City to waive the RFP requirements for this contract and so waives the requirements; and be it

FURTHER RESOLVED, that the City Council hereby authorizes the City Administrator to execute a two-year extension for the on-call contracts with (1) HR Management, Inc., (2) Robert Half International and (3) TemPositions, Inc. to provide temporary employment services on an as-needed and rotating basis at a cost of \$1,000,000 per contract for a total contracting cost not to exceed \$3,000,000 through July 1, 2022; and be it

FURTHER RESOLVED, that based on information provided by the City Administrator, the Council finds that this contract is of a professional and temporary nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive civil service; and be it

FURTHER RESOLVED, that the funding will be available from salary saving in departments seeking temporary employment services upon the existence of such vacancies; and be it

FURTHER RESOLVED, that the City Attorney will approve the contracts as to form and legality and copies will be on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES – FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO and PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California