




June 23, 2021

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer 

Subject: Amendments to Agreements for Temporary Staffing Services

Overview

On October 8, 2018, the Orange County Transportation Authority Board of Directors approved agreements with APR Consulting, Inc., and ManpowerGroup US to provide temporary staffing services for a three-year initial term and two, two-year option terms. Board of Directors' approval is requested to exercise the first option term effective November 1, 2021 through October 31, 2023.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-8-1593 between the Orange County Transportation Authority and APR Consulting, Inc., to exercise the first option term for continued temporary staffing services.
- B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Agreement No. C-8-1842 between the Orange County Transportation Authority and ManpowerGroup US to exercise the first option term for continued temporary staffing services.
- C. Approve an increase of \$500,000 to the aggregate amount to be shared by both staffing firms, for a total amount of \$2,450,000 shared between the two contracts.

Discussion

The Orange County Transportation Authority (OCTA) has always focused on being a highly efficient and productive organization. By allowing for the use of temporary staff, OCTA can maintain its efficiency and productivity during times of regular staff shortages and/or special projects that require additional staff. Temporary staff are only utilized during these special times to ensure deadlines

are met and goals are achieved. The use of temporary staff does not add to the number of approved budgeted positions.

Historically, the majority of the OCTA temporary personnel utilization has been in the clerical or administrative support staff categories caused by a leave of absence. There is seldom a means to plan for leaves of absence. When employees are on leave, OCTA does not have the extra staff to backfill the positions to ensure the work is completed.

In addition, temporary staff have been used for special and/or non-recurring projects that have a specific end date. An example of this is OCTA's Enterprise Content Management (ECM) Program. The project's goal is to eliminate paper records by scanning the documents and files, and then organizing and storing the records electronically on a Sharepoint site, resulting in improved efficiency and accessibility. Temporary staff has been integral in supporting this project.

Moreover, the coronavirus pandemic has created many uncertainties and makes it challenging to project all of the possible temporary help utilization for the next two years (FY 2021-22 and 2022-23). The coronavirus pandemic has also resulted in a tightening and changing labor market that may impact OCTA's ability to quickly hire quality candidates.

Staff estimates that a total of \$650,000 for fiscal year (FY) 2021-22 will be required to advance projects utilizing temporary help. This estimate includes the ECM Program. While this is an estimate based on historical temporary help utilization and planned projects, there may be additional utilization that is included in the estimate because projects and leaves are not yet fully known.

Contract Year	Total Amount Spent
Year 1 (2018-2019)	\$514,670
Year 2 (2019-2020)	\$344,898
Year 3 (2020-2021)	*\$290,432
Option Year 1 (2021-2022)	**\$650,000
Option Year 2 (2022- 2023)	**\$650,000
Total	\$2,450,000

**partial year to date plus forecast for remainder of year*

***forecasted*

When the Board of Directors (Board) initially approved contract authority for \$1,950,000, the amount was intended to cover the first three years of the

contract, with any remaining funds going towards the option term, if exercised. Of that amount, \$1,078,000 remains to cover the last year of the initial contract, as well as the two years of the first option term that staff is requesting to exercise, for a total of three years. Historically, OCTA has spent approximately \$436,000 per year on temporary help. Based on this number, the remaining \$1,078,000 will not be enough given the known expenses and the uncertainties of FY 2021-22 and 2022-23. Therefore, in an effort to be fully prepared and to have contract authority to cover any potential increases in temporary help utilization, staff is recommending an increase of \$500,000 to the aggregate amount to be shared by both firms.

Procurement Approach

This procurement was handled in accordance with OCTA's Board-approved procedures for professional services that conform to both federal and state laws. The original agreements were awarded on a competitive basis and include a three-year initial term for an aggregate amount of \$1,950,000 to be shared by both staffing firms and two, two-year option terms. The initial term of the agreements expires on October 31, 2021, as shown in attachments A and B.

The proposed Amendment No. 1 to the agreement with APR Consulting, Inc. (APR) and Amendment No. 2 to the agreement with ManpowerGroup US (Manpower) are to exercise the first option term of the agreements effective November 1, 2021 through October 31, 2023. The budget for the first option term is \$500,000, which is based on current and anticipated usage for temporary staffing services, bringing the total aggregate amount to \$2,450,000 to be shared by both staffing firms. An annual hourly rate escalation was negotiated in the original contracts. However, the Contracts Administration and Materials Management Department was able to negotiate with APR to reduce its hourly rates for the first option term and Manpower to hold its initial term rates for the first option term. Exercising the first option term with both staffing firms will allow for continued temporary staffing services through October 31, 2023.

Fiscal Impact

The expenditures for these services are part of OCTA's Board-approved FY budgets and will be funded with local funds. The final, approved temporary staffing services contracts allow for contract authority in the aggregate to be shared by both staffing firms. The contracts do not directly impact the budget. All temporary staffing services are utilized on an as-needed basis dependent on the individual needs of each department. As such, anticipated expenditures for these services are budgeted as part of each requesting department's budget, or the

expenditures are covered by budget underruns in the salaries line item within the requesting department's budget.

Summary

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Agreement No. C-8-1593 between the Orange County Transportation Authority and APR Consulting, Inc., and Amendment No. 2 to Agreement No. C-8-1842 with ManpowerGroup US to exercise the first option term, in the aggregate amount of \$500,000 to be shared by both staffing firms for a total contract value of \$2,450,000, for continued temporary staffing services.

Attachments

- A. APR Consulting, Inc., Agreement No. C-8-1593, Fact Sheet
- B. ManpowerGroup US, Agreement No. C-8-1842, Fact Sheet

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