



City of San Antonio

Agenda Memorandum

File Number:15-5338

Agenda Item Number: 23.

Agenda Date: 11/19/2015

In Control: City Council A Session

DEPARTMENT: Human Resources

DEPARTMENT HEAD: Lori Steward

COUNCIL DISTRICTS IMPACTED: City-Wide

SUBJECT:

Temporary Labor Personnel Services

SUMMARY:

This ordinance authorizes the City Manager or her designee to execute three separate contracts with Labor on Demand, Inc., Stability Staffing and Consulting, LLC, and Tri-Starr Group, to provide temporary staffing services to the City as pay per use by City Departments in an estimated annual amount of \$5,000,000.00. The term of this contract is for three (3) years, beginning December 20, 2015 and ending December 19, 2018, with the option to renew for two additional one-year periods, subject to and contingent upon funding by City Council.

BACKGROUND INFORMATION:

Various City departments currently use temporary services through an existing temporary services contract approved by City Council on December 10, 2010. The term of the current contract was for three (3) years, beginning December 20, 2010 and ending December 19, 2013, with the option to renew for one additional two-year period, subject to and contingent upon funding by City Council. The City renewed for one additional two-year period and the current contract will expire on December 19, 2015.

The temporary services contract provides temporary staffing services to departments on a short term basis as needed. City departments need temporary support for various projects.

The proposed contracts Labor on Demand, Inc., Stability Staffing and Consulting, LLC, and Tri-Starr Group,

are to manage the recruitment and administration of temporary staff. They are all small, minority and/or women-owned businesses.

Human Resources and the Purchasing division of the Finance Department jointly developed a Request for Proposals (RFP) which was issued on April 21, 2015. Proposals from 12 firms were received by the deadline. Of the 12 proposals, 6 were deemed responsive, however one withdrew. The remaining 5 responsive proposals were reviewed.

The evaluation of each proposal was based on a total of 100 points: (30) thirty points were allotted for experience, background, qualifications; (15) fifteen points were allotted for the proposed plan; (20) twenty points were allotted for Price; (20) twenty preference points were allotted for the Small Business Economic Development Advocacy (SBEDA) Program, SBE Prime Contractor Program Affirmative Procurement Initiative and M/WBE Prime Contractor Program Affirmative Procurement Initiative at (10) ten points each and (5) five points for Veteran-Owned Small Business Preference Program. A summary of the RFP scoring is attached.

In accordance with Local Preference Program, all three of the recommended Respondents received 10 points for being headquartered within the incorporated San Antonio city limits.

The Veteran-Owned Small Business Preference Program was applied in the evaluation of responses received for this contract; however, none of the recommended Respondents are veteran-owned small businesses.

The SBEDA Program was applied in the evaluation of responses received for this contract; all three recommended Respondents received 20 points as they are all small, minority and/or women-owned businesses.

Based on the evaluation conducted by members of the review panel, Labor on Demand, Inc., Stability Staffing and Consulting, LLC, and Tri-Starr Group received the top three scores. The final recommendation considered both the panel scores and the SBEDA scores, in conformance with the stated criteria.

The term of this contract is for three (3) years, beginning December 20, 2015 and ending December 20, 2018, with the option to renew for two additional one-year periods, subject to and contingent upon funding by City Council.

Each staffing agency charges a fee (markup), added to the hourly wage of the temporary employee, to provide their services, and below is what has been agreed upon by the selected contractors.

Vendor	Non-exempt	Exempt
Labor on Demand, Inc.	34%	34%
Stability Staffing and Consulting, LLC	35%	28%
Tri-Starr Group	39%	39%

All respondents were given an opportunity to change markup percentages after year 2 of the contract. Tri-Starr included increased in the mark up rates for years 3 through 5 as follows:

Year	Non-exempt	Exempt
Year 1 & 2	39%	39%
Year 3	40%	40%
Year 4	41%	41%
Year 5	42%	42%

ISSUE:

Execution of this contract will allow the City to continue to use temporary staffing services on a short term basis as needed. Additionally, staff is challenged with filling high priority requests and finding highly qualified temporaries in a timely manner.

ALTERNATIVES:

Should this contract not be approved, Human Resources would recruit and manage all temporary staffing needed for the City, resulting in an increased time to fill.

FISCAL IMPACT:

This is a “pay per use” service and the City will only pay for services provided. Based on historical usage, the estimated value is \$5 million annually. Each Department will be responsible to pay for their assigned temporary employee from monies already appropriated in their department’s budget. No additional budget appropriations will be made as a result of these contracts.

RECOMMENDATION:

Staff recommends approval of this ordinance to execute contracts with Labor on Demand, Inc., Stability Staffing and Consulting, LLC, and Tri-Starr Group, beginning December 20, 2015 and terminating on December 19, 2018 with the option to renew for two additional one-year periods, to provide temporary staffing services to various City departments.