

AGENDA REPORT

Resolution: Authorization to Increase the Contract Amount with Labor Finders Inc. to a Maximum of \$325,000 annually through June 30, 2020 and Increase the Contract Amount with West Valley Staffing Group to a Maximum of \$195,000 through June 30, 2017. **(Finance & Admin.)**

MEETING DATE: 6/8/2017

AMOUNT: Up to \$325,000 annually through June 30, 2020 with Labor Finders
Up to \$195,000 through June 30, 2017 with West Valley Staffing Group
Operating Expense

PARTIES INVOLVED: Labor Finders Inc., Palm Beach Gardens, FL
West Valley Staffing Group, Pleasanton, CA

SUBMITTED BY: Sara Lee, Chief Financial Officer

APPROVED BY: J. Christopher Lytle, Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY

Staff requests that the Board of Port Commissioners ("Board") approve the authorization to increase the contract amount with Labor Finders, Inc. from a maximum of \$300,000 to \$325,000 annually through June 30, 2020 and to increase the contract amount with West Valley Staffing Group from a maximum of \$150,000 to \$195,000 through June 30, 2017.

BACKGROUND

The Port utilizes temporary staffing services on an as needed basis to bridge short-term fluctuations in the Port's permanent FTE count due to: i) attrition and lags in hiring; ii) retirement and lags in hiring; and, iii) short-term and long-term leaves, including medical leaves, workers' compensation leaves, and other various statutory-protected leaves.

In December 2015, the Board authorized staff to enter into a contract with Labor Finders, Inc. ("Labor Finders") for a maximum authorized amount of \$300,000 annually through

June 30, 2020. In June 2016, under the Executive Director's authority, the Port entered into a contract with West Valley Staffing Group ("West Valley") for a maximum authorized amount of \$150,000 through June 30, 2017. Labor Finders offers specialized temporary staffing services in the area of skilled trades. West Valley offers specialized temporary staffing needs in the areas of engineering, technology, accounting, and administrative positions. Labor Finders and West Valley have been providing cost effective high quality and reliable temporary services to the Port since 2012.

ANALYSIS

Partnering with temporary staffing firms to provide services to the Port is critical to the operations at the Oakland International Airport ("OAK"), Maritime facilities ("Harbor Facilities"), and corporate services such as finance, information technology, engineering, and human resources.

Based on actual utilization in the current fiscal year, and due to attrition and retirement that has occurred, staff is requesting authorization to increase the authorization amounts with Labor Finders and West Valley to cover existing and anticipated temporary staffing needs of the Port. Currently, the annual authorized contract amount for Labor Finders and West Valley are \$300,000 and \$150,000, respectively. In order to ensure that the Port is able to continually meet its organizational needs, adequately maintain Port facilities, and ensure that Port's assets are safe, functional, and operable for all stakeholders, Port staff recommends:

1. Labor Finders – increase the maximum authorized annual amount from \$300,000 to \$325,000 for the remainder of the contract, which expires on June 30, 2020.
2. West Valley – increase the maximum authorized annual amount from \$150,000 to \$195,000 for the remainder of the contract, which expires on June 30, 2017.

Consistent with the Port's labor agreements ("MOUs"), City of Oakland Civil Service Rules ("Civil Service Rules") and Personnel Rule and Procedures of the Port of Oakland ("Port Personnel Rules"), temporary agency personnel ("temps") are not designed to replace permanent staff, and the MOUs, Civil Service Rules, and Port Personnel Rules provide guidelines and parameters related to the use of temporary staffing services. Human Resources continually monitors and administers the temporary staffing program to ensure compliance with the Port's MOUs and Port Personnel Rules, as well as to recruit for permanent positions as retirements and attritions occur.

BUDGET & STAFFING

No budget impact is anticipated as temporary staffing costs are offset by vacancies, workers compensation, state disability, or long term disability insurance. The proposed action does not have any staffing impact.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The matters contained in this Agenda Report do not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) and the provisions of the MAPLA do not apply.

STRATEGIC PLAN

The action described herein would help the Port achieve the following goals and objectives in the Port's Strategic Plan (<http://www.portofoakland.com/pdf/about/strategicPlan2011-2015.pdf>).

- Goal H: Develop And Maintain A High Performing Workforce.
- Goal I: Align the Port's Workforce, Organizational Structure and personnel Management Practices for Optimal Performance of the Port.

LIVING WAGE

Living wage requirements, in accordance with the Port's Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the "Living Wage Regulations"), do not apply because the requested action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage Regulations.

ENVIRONMENTAL

California Environmental Quality Act (CEQA) Guidelines Section 15378(2) states that "Project" means the whole of an action that has a potential for resulting in either direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The general rule in Section 15061(b)(3) of the Guidelines additionally states that CEQA applies only to activities that have a potential for causing a significant effect on the environment. Because it can be seen with certainty that there is no possibility that the authorization to increase the contract amount with Labor Finders Inc. to \$325,000 annually through June 30, 2020, and to increase the contract amount with West Valley Staffing Group to \$195,000 through June 30, 2017 may have a significant effect on the environment, the action is not a "Project" under CEQA, and is not subject to CEQA under the General Rule Exclusion. No further review of this action under CEQA is required.

GENERAL PLAN

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility; therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)/ PROFESSIONAL LIABILITY INSURANCE PROGRAM (PLIP)

The Owner Controlled Insurance Program (OCIP) and Professional Liability Insurance Program (PLIP) do not apply to the matters addressed by this Agenda Report as they are not capital improvement construction or design projects.

OPTIONS

1. Approve the authorization to increase the maximum authorized contract amount with Labor Finders Inc. to \$325,000 annually through June 30, 2020 and increase the maximum authorized contract amount with West Valley Staffing Group to \$195,000 through June 30, 2017.
2. Do not approve the authorization to increase the contract amount with Labor Finders Inc. to \$325,000 annually through June 30, 2020 and increase the contract amount with West Valley Staffing Group to \$195,000 through June 30, 2017. This will likely result in the inability to provide certain operational and corporate services resulting from: i) attrition and lags in hiring time; ii) retirement and lags in hiring time; and, iii) short-term and long-term leaves, including medical leaves, workers' compensation leaves, and other various statutory-protected leaves

RECOMMENDATION

Staff recommends that the Board approve the authorization to increase the maximum authorized contract amount with Labor Finders Inc. to \$325,000 annually through June 30, 2020 and increase the maximum authorized contract amount with West Valley Staffing Group to \$195,000 through June 30, 2017.