



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 26

Agenda Date: October 14, 2021

In Control: City Council A Session

DEPARTMENT: Department of Human Resources

DEPARTMENT HEAD: Renee Frieda

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Temporary Staffing Services

SUMMARY:

This ordinance authorizes the City Manager or his designee to execute four separate contracts with Tri-Starr Personnel, LLC, Labor on Demand, Inc., dba LOD Resource Group, Human Capital International, LLC dba Integrated Human Capital, and Diligas Corp. dba U.S. Got People to provide temporary staffing services to the City as pay per use by City Departments. The term of this contract is for three (3) years, beginning December 20, 2021, and ending December 19, 2024, with the option to renew for two additional one-year periods in the estimated total value of \$20,000,000.00, subject to and contingent upon funding by City Council.

BACKGROUND INFORMATION:

Various City departments currently use temporary services through existing temporary services contracts approved by City Council on November 19, 2015. The term of the current contract was for three (3) years, beginning December 20, 2015, and ending December 19, 2018, with the option to renew for two additional one-year terms, subject to and contingent upon funding by City Council. The City renewed for each available one-year renewals. Additionally, on October 1, 2020, Council approved a one-year extension for the Temporary Staffing Services contracts

due to delays related to the coronavirus (COVID-19) which will expire on December 20, 2021.

On February 12, 2021, a Request for Proposals (RFP) was released seeking proposals from temporary employment agencies to provide support staff (administrative, clerical, labor, etc.) based on business related positions that would be considered both exempt and non-exempt under the Fair Labor Standards Act. The estimated contract value is \$20 million for an initial contract term of 3 years with 2, 1-year options to renew. Each department will be responsible to pay their assigned temporary employees from funds already appropriated in their department's budget. No additional appropriations will be made as a result of these contracts.

On April 20, 2021, seventeen proposals were received. Nine proposals were deemed non-responsive for failure to meet the 10% M/WBE subcontracting requirement of the RFP. The eight remaining proposals were evaluated.

The evaluation committee met to discuss and score all proposals on July 29, 2021.

The evaluation of each proposal was based on a total of 100 points: (40) thirty points were allotted for experience, background, qualifications; (30) fifteen points were allotted for the proposed plan; (20) twenty points were allotted for Price; (5) five points for SBE Prime Contract Program; and (5) five points for M/WBE Prime Contract Program. A summary of the RFP scoring is attached.

The committee short-listed the top four highest ranked proposals for interviews. The committee reconvened on August 9 and 10, 2021 for interviews which were followed by final scoring. Initial negotiations were conducted with each of the four highest ranked respondents on September 10, 2021, and all four are recommended for award.

A post solicitation briefing to the Audit and Accountability Committee was held on September 22, 2021.

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.

| Temp Category | Tri-Starr | Labor on Demand | Human Capital International | Diligas Corp. |
|--------------------------------|-----------|-----------------|-----------------------------|---------------|
| Non-Exempt | 37% | 37% | 34% | 37% |
| Exempt | 35% | 37% | 34% | 37% |
| Non-Exempt City Referral | 30% | 35% | 30% | 36.5% |
| Exempt City Referral | 27% | 35% | 30% | 36.5% |
| Non-Exempt Labor | NA | NA | 40% | NA |
| Non-Exempt Labor City Referral | NA | NA | 36% | NA |

Each staffing agency offers health insurance and paid time off program.

ISSUE:

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

ALTERNATIVES:

Should these contracts 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. The estimated total value is \$20,000,000.00. Each Department will be responsible to pay for their assigned temporary employees from funds already appropriated in their department’s budget. No additional budget appropriations will be made as a result of these contracts.

Funds are not encumbered by this ordinance. All expenditures will be in accordance with the Department's adopted budget approved by City Council. Purchases made by the Department are as needed and dependent upon available funds within their adopted budget.

RECOMMENDATION:

Staff recommends approval of this ordinance to execute contracts with Tri-Starr Personnel, LLC, Labor on Demand, Inc., dba LOD Resource Group, Human Capital International, LLC dba Integrated Human Capital, and Diligas Corp. dba U.S. Got People, beginning December 20, 2021, and terminating on December 19, 2024, with the option to renew for two additional one-year periods, to provide temporary staffing services to various City departments.

These contracts were procured through a Request for Proposal process and Contract Disclosure forms are required.