

**SOUND TRANSIT**

**MOTION NO. M2000-03**

**Amendment of Budget Structure for Temporary Services Contracts  
BACKGROUND AND COMMENTS**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	January 6, 2000	Discussion/Possible Action	Betty Laurs, Director of Communications, Marketing and HR Lilly Aguilar, HR Manager	(206) 398-5120  (206) 398-5075

**ACTION:**

Approval to pool the initial \$2.6 million for all temporary employment contract services rather than apply individual specified contract amounts.

**BACKGROUND:**

Motion No. M98-82 approved separate contracts with ten temporary service vendors, for a total of all contracts not to exceed \$2,600,000. Contracts were authorized to cover a period of 24 months. Based on a preliminary assessment of temporary staffing service needs, individual contract amounts of \$200,000 were authorized for eight vendors while two (VOLT and Superior Technical) were approved for not to exceed amounts of \$500,000 each. Four of the nine private vendors are M/WBE certified firms.

In the months since that motion was adopted, demand for temporary services has significantly exceeded the forecast usage for some of the contracts while leaving others virtually unused. This has resulted from several circumstances, including higher-than-anticipated levels of demand for temporary services; withdrawal of their contracts by two of the original ten firms; lack of demand for job classes offered by one of the firms; and unresponsiveness of another vendor to requests for candidates. Coupling the increased need for temporary services with the decreasing contractual resources available to meet these needs has resulted in this request for funding amendments. This structural change will allow staff to better manage contracts and respond to requests for temporary employment assignments.

Staff is in the process of analyzing overall demand by job category, legal implications, and costs associated with temporary employee usage in comparison with workload needs of the Agency. A recommended plan will be submitted for Board consideration during the first quarter of 2000.

**RELEVANT BOARD POLICIES AND PREVIOUS ACTIONS TAKEN:**

- ◆ Resolution No. 78-1 (April 9, 1998)
- ◆ Motion No. M98-82 (November 5, 1998)
- ◆ Adoption of Fiscal Year 1999 Budget (November 12, 1998)
- ◆ Adoption of Fiscal Year 2000 Budget (November 18, 1999)

**FUNDING:**

The original contract amounts for the temporary service agencies listed below totals \$2,600,000. Currently this amount is allocated at 500K and 200K increments, depending on the agency and services provided. The total funding of \$2.6 million will be pooled among the remaining eight temporary services contracts with Superior Technical Resources, Trigon Technical Services, VOLT, Tech Staff, People Placers, Kelly Services, Construction Management Technical Services, City of Seattle’s Temporary Employment Program.

Funding for the restructured contracts is included in the adopted 2000 budget, as shown in the following table.

<i>AVAILABLE BUDGET</i>		<i>CONTRACT REQUIREMENTS</i>			<i>BALANCE</i>
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>	<i>(b)-(e)</i>
<i>BUDGET LINE ITEM</i>	<i>2000 BUDGET</i>	<i>TOTAL CONTRACT AMOUNTS APPROVED</i>	<i>COMMITMENTS TO DATE</i>	<i>CONTRACT REMAINING</i>	<i>BUDGET REMAINING</i>
Temporary Services	\$1,406,898	\$2,600,000	\$1,800,000	\$800,000	\$606,898

Columns (a) and (b) of the above table sets forth the adopted 2000 agency-wide budget for temporary services. Column (c) shows the total two-year contract amount approved for temporary services by the Board in November 1998. Column (d) details the expenditures and estimated commitments against the original contracts, leaving Column (e), which subtracts the total commitments from the original contract. This “Contract Remaining” column shows the maximum level of expenditures (\$800,000) that can still be spent under temporary services contracts. Finally, the “Balance” column [Columns (b)-(e)] subtracts the maximum contract expenditures from the available 2000 budget for temporary services, showing an expected budget remainder of approximately \$607,000 after all payments under this amended contract have been made.

**ALTERNATIVES:**

- Immediately end current temporary assignments with heavily used contract agencies
- Hire temporary employees directly rather than through a temporary services agency
- Outsource additional workload through consultant contracts
- Accept delays and/or negative impacts to workload demands, timelines and/or services

**CONSEQUENCES OF DELAY:**

Delay in a decision would mean that we will not be able to fulfil financial commitments for current assignments; we will not be able to fill requests for temporary employees using existing contracts; and workload projects and deadlines may be delayed based on lack of temporary resources.

**LEGAL REVIEW:**

Approved as to Form (DLB 12/29/1999)

**SOUND TRANSIT**

**MOTION NO. M2000-03**

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to pool the originally approved \$2.6 million for current temporary employment service contracts rather than apply individual specified contract amounts.

**Background:**

Motion No. M98-82 approved by the Board on November 5, 1998 authorized contracts with Superior Technical, Employco Staffing, H. L. Yoh, Trigon Technical Services, VOLT, Tech Staff, People Placers, Kelly Services, Construction Management Technical Services (CMTS) and the City of Seattle Temporary Employment Program for a total amount not to exceed \$2,600,000. Contracts were authorized to cover a period of 24 months. Based on a preliminary assessment of temporary staffing service needs, the Finance Committee approved individual contract amounts of \$200,000 for eight vendors while two (VOLT and Superior Technical) were approved for not to exceed amounts of \$500,000 each. Four of the nine private vendors are M/WBE certified firms.

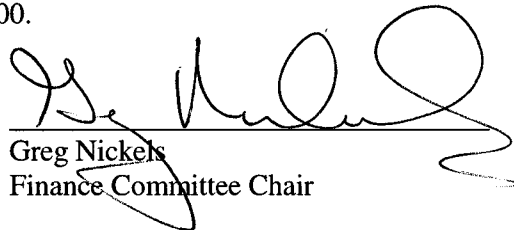
Since that motion was adopted, demand for temporary services has exceeded the forecast usage for some contracts while leaving others virtually unused. This has resulted from several circumstances, including higher-than-anticipated levels of demand for temporary services; withdrawal of their contracts by two of the original ten firms; lack of demand for job classes offered by one of the firms; and unresponsiveness of another vendor to requests for candidates. Coupling the increased need for temporary services with the decreasing contractual resources available to meet these needs has resulted in this request for funding amendments. This structural change will allow staff to better manage contracts and respond to requests for temporary employment assignments.

Approval of the motion will not increase the approved budget of \$2.6 million and will not change the contract duration of the original contracts.


**Motion:**

It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority, that the approved budgeted amounts currently allocated to individual temporary employment services contracts may be aggregated into one pooled fund that may be used to fund required services under any of the temporary employment services contracts authorized by the Finance Committee in M98-82.

Approved by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof on the 6th day of January, 2000.

  
Greg Nickels  
Finance Committee Chair

ATTEST:

  
Marcia Walker  
Board Administrator