



SUMMARY REPORT

Agenda Date: 12/14/2021

To: Board of Supervisors of the County of Sonoma, Board of Directors of the Sonoma County Water Agency, Board of Commissioners of the Community Development Commission, Board of Directors of the Sonoma County Agricultural Preservation and Open Space District, and Board of Directors of the Northern California Air Pollution Control District

Department or Agency Name(s): Human Resources

Staff Name and Phone Number: Deena Thompson-Stalder, 707-565-2821

Vote Requirement: Majority

Supervisory District(s): All

Title:

Temporary Staffing Agencies Agreements

Recommended Action:

Authorize the Director of Human Resources to execute agreements with Apple One, Bolt Staffing, Inc., Nelson Staffing, and Tryfacta, Inc. to perform temporary staffing services for short-term needs of 90 days or less, for fee for services contracts, in an amount not to exceed \$2,500,000 per contract, from January 1, 2022 to December 31, 2024, with the option to execute three one year renewals through December 31, 2027.

Executive Summary:

This item seeks Board approval to award Apple One, Bolt Staffing, Inc., Nelson Staffing, and Tryfacta, Inc. fee for services contracts to provide temporary staffing services effective January 1, 2022, for the maximum agreement amount of \$2,500,000, through December 31, 2024, with the option of three one year contract renewals, per vendor, upon the mutual consent of both parties. These contracts enable County departments to use private temporary service firms, in accordance with Government Code 31000.4, to meet short-term staffing needs of 90 days or less for peak loads, temporary absence, or emergency situations.

Discussion:

This item seeks Board approval to award Apple One, Bolt Staffing, Inc., Nelson Staffing, and Tryfacta, Inc. fee for services contracts to provide temporary staffing services effective January 1, 2022, for the maximum agreement amount of \$2,500,000, through December 31, 2024, with the option of three one year contract renewals, per vendor, upon the mutual consent of both parties. These contracts enable County departments to use private temporary service firms, in accordance with Government Code 31000.4, to meet short-term staffing needs of 90 days or less for peak loads, temporary absence, or emergency situations.

For circumstances that necessitate quickly filling a position on a short-term basis, such as times of peak load, temporary absences, or emergencies, hiring temporary agency employees is the most appropriate option and allows for continuity of County services. Temporary agencies are able to quickly provide temporary employment services due to their established employee database for multiple classifications, without having to first conduct a recruitment or establish an employment list. For example, temporary staffing agencies can fill a same-day unplanned absence if needed.

Although the County does have extra-help employees as another option for hiring temporary workers, there are limitations that pose significant challenges when the need is immediate and is anticipated for 90 days or less. Extra-help positions are intended for longer term assignments and/or planned projects, and are less practical when a department is reacting to a short-term and/or immediate need. Frequently, hiring extra-help employees requires conducting a recruitment in order to establish an employment list pursuant to the Civil Service Rules. This process may take several weeks to complete and also requires staff resources; whereas, a temporary service employee can be placed into a short-term assignment with the ease of a phone call to one of the contracted agencies. Hiring extra-help retirees in light of the California Public Employees' Pension Reform Act (PEPRA) regulations, which place restrictions on an individual's ability to be hired for post-retirement employment, or the rehiring of other former County employees, also poses limitations which do not meet immediate short-term needs that can arise. Due to these limitations, it is not possible to fill all temporary needs using extra-help, retirees, or other former employees, making it necessary to continue to allow County departments the option of hiring temporary agency employees.

The agreements with the current vendors, Apple One, Nelson Staffing, and Star Staffing, were awarded January 1, 2016, after a Request for Proposal (RFP) process had been conducted. Those agreements were renewed three times, each for an additional one-year extension, and are due to expire on December 31, 2021. Because the County has had the current agreements for six years, it was time to conduct a new RFP for these services. Human Resources established the selection criteria and conducted a thorough search for temporary staffing agencies that provide generalized staffing services. The RFP was issued on September 14, 2021, and was distributed to over 25 identified agencies. The County received responses from 21 interested agencies. Advisory panels, comprised of a mixture of subject matter experts from both Human Resources and county department users were employed to evaluate the proposals based on the criteria outlined in the RFP. The evaluation process included an assessment of services offered, professional qualifications, the agencies' experience providing similar services, compliance with the RFP requirements, and proposed rates. The panel rated Apple One, Bolt Staffing, Inc., Nelson Staffing, and Tryfacta, Inc., highly.

Human Resources recommends agreements be executed with all four vendors as they were determined to be well qualified during the RFP process. By entering into service agreements with multiple vendors, departments will have access to a greater number of candidates, which is beneficial as there is currently a limited pool of individuals seeking temporary staffing assignments due to the County's low unemployment rate of 4.5%, in September 2021. This rate is significantly lower than the State's unemployment rate during the same period, which was 7.5%, and the 15.4% unemployment rate that Sonoma County experienced in April 2020, a month after the pandemic began.

The existing contracts that were executed with Nelson Staffing, AppleOne, and Star Staffing for January 1, 2016 through December 31, 2018, were for no more than \$3,000,000 per contract. These contracts were then extended three times for the period of January 1, 2019, through December 31, 2021. The cumulative amount spent on these services from January 1, 2016, to October 6, 2021, was \$5,676,446, which equates to approximately \$946,074 per year. This estimate does not include COVID-related temporary staffing costs, which were billed through separate reimbursable contracts.

In looking at the usage trend over this approximate six year period,

Human Resources recommends entering into service agreements for the three year terms with the four

identified agencies, capped at the maximum of \$2,500,000 per vendor on a fee for service basis, based on the following:

- County departments will have access to a larger candidate pool by entering into service agreements with the four identified agencies.
- Although there has been a slight decrease in usage over the past two years, pre-pandemic usage of the contracts increased by 10-15% each year. As such, Human Resources anticipates future increases in usage as the County emerges from the pandemic coupled with an increase in bill rates due to rising labor and associated costs.
- The County should estimate a minimum of approximately \$1,250,000 per year on temporary staffing employees, based on the usage trend during the last contract term.

Human Resources recommends that the four agreements be for the full amount of the cumulative, estimated usage amount to allow County departments to have the flexibility to use the agency of their choice. There is no additional budgeted impact to the County as a result of these temporary service contracts. Each requesting department pays for the services from salary savings due to position vacancies, leaves of absence, and budgeted extra-help funds previously approved by the Board of Supervisors. Fee for service agreements are used, only, as needed and as departments determine the budget exists to pay for the services. Additionally, the execution of these contracts will not impact any department's budgetary goals as they will continue to manage their usage to meet expectations.

Strategic Plan:

INSTRUCTIONS: If this item directly supports implementation of an objective in the County's Five-year Strategic Plan briefly describe how the activity or project will help to achieve the desired outcomes associated with the objective. If this item does not directly support the Strategic Plan delete the full text under this header and input "N/A."

N/A

Prior Board Actions:

12/15/15, The Director of Human Resources was authorized to execute an agreement with Summit Security Services, Inc. to perform Pre-Employment Screening and Background Check Services for County of Sonoma departments, for a fee for services contract amount of \$3,000,000, effective January 1, 2016, through December 31, 2018, with the option to execute three one-year renewals through December 31, 2021.

FISCAL SUMMARY

Expenditures	FY 21-22 Adopted	FY22-23 Projected	FY 23-24 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			

Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:

There is no additional budgeted impact to the County as a result of these temporary service contracts. Each requesting department pays for the services from salary savings due to position vacancies, leaves of absence, and budgeted extra-help funds previously approved by the Board of Supervisors. Fee for service agreements are used, only, as needed and as departments determine the budget exists to pay for the services. Additionally, the execution of these contracts will not impact department's salary savings goals as they will continue to manage their usage to meet expectations.

Strategic Plan Pillar - Organizational Excellence - Be an innovative, effective, engaged, and transparent organization focused on quality programs and services. - Agreements with temporary staffing services agencies provide departments with the ability to resolve short term staffing needs, which allows for the continuation of services during such as times of peak load, temporary absences, or emergencies.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

Not applicable.

Attachments:

None.

Related Items "On File" with the Clerk of the Board:

None.