

HOUSING AUTHORITY OF THE CITY OF SAN DIEGO

DATE ISSUED: December 19, 2005

DATE: For the Agenda of January 17, 2006

REPORT NO.: HAR06-001

SUBJECT: Amendment to SELECT Personnel Services Contract

SUMMARY

Issue 1: Should the Housing Authority approve the amendment to the contract for temporary employment agency services with SELECT Personnel Services and the continued use of temporary employees to fill vacancies?

Recommendation: Authorize the President & Chief Executive Officer (CEO) to increase the maximum compensation available under the contract between the Housing Commission and SELECT Personnel Services by \$350,000 to continue providing temporary employees to the Housing Commission.

Fiscal Impact: Salary savings will be used to fund this amendment for temporary agency services. There will be no increase to the Housing Commission budget.

Previous Related Action: On December 2, 2005 the Housing Commission reviewed and approved an amendment to the SELECT Personnel Services contract and forwarded the amendment to the Housing Authority for final approval. The FY06 budget was approved by the Housing Commission on May 20, 2005 and subsequently approved by the Housing Authority on June 14, 2005. On February 14, 2003 the Housing Commission authorized the CEO to enter into a contract with SELECT Personnel Services for a not-to-exceed amount of \$250,000 for an original sixteen (16) month period, with options to renew for two (2) additional one-year (12 month) periods on a not-to-exceed amount of \$250,000 per year.

Future Related Actions: Housing Commission staff will be conducting a full Request for Proposal process to select a temporary employment agency provider for services prior to July 1, 2006.

Environmental: This activity is not a project within the meaning of CEQA and is categorically exempted and/or excluded under the provisions of NEPA and these administrative issues were



January 17, 2006

Amendment to SELECT Personnel Contract

HAR 06-001

Page 2 of 3

exempted and/or excluded in connection with the actions on the FY 06 budget. The City of San Diego as Responsible Agency has issued the Notice of Exemption under NEPA.

Equal Opportunity Statement: SELECT Personnel Services is an Equal Opportunity Employer that reaches out to all job seekers. SELECT's goal as an employer is to build successful partnerships in the community from which it recruits a diverse workforce for its temporary employment opportunities.

BACKGROUND

The San Diego Housing Commission requires temporary employment agency services at all of its locations to fill vacancies due to absences for disability, leave of absences and to temporarily fill permanently budgeted positions until recruitments or budget processes are finalized.

A request-for-proposal solicitation process was issued on November 15, 2002 and seven responsive bids were received. All bidders were evaluated and scored on qualifications, scope of services and price. SELECT Personnel was the highest ranked of the bidders and was awarded the contract.

DISCUSSION

Due to significant proposed changes in program regulations and funding structures for core programs, the Housing Commission has relied on temporary employees to fill permanently budgeted positions during the past year. Until new program regulations are finalized, the Chief Operating Officer recommends continuing this strategy which enables the Housing Commission to serve its target clientele while minimizing the need for lay-off of permanent staff should program requirements be reduced. Although this was not the original intent when the SELECT contract was recommended, it is been an effective management tool. Currently, the Housing Commission is employing twelve individuals under this contract at a monthly cost of approximately \$46,000. The FY06 budget included an estimate for salary and benefits of \$16,684,714 for all approved budgeted positions. While it will be necessary to revise line items in the FY06 budget, this action will not increase the amount spent for staffing during the fiscal year.

ALTERNATIVE

January 17, 2006

Amendment to SELECT Personnel Contract

HAR 06-001

Page 3 of 3

Direct the CEO to fill the budgeted positions with permanent staff. However, given that program changes are not finalized and future required staffing is not certain, the alternative is not recommended.

Respectfully submitted,

Approved by,

C.Terry Whitesides
Director of Business Services

Elizabeth C. Morris
President & Chief Executive Officer