

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

June 10, 1992

To: Board of Directors (Organization and Personnel Committee--Action)

From: General Manager

Subject: Request for Delegation of Authority for the General Manager to Enter into and Amend Temporary Employment Agency Service Contracts Exceeding \$250,000

Report

The practice of the Metropolitan Water District (District) has been to supplement its regular work force with temporary agency personnel, and temporary and part-time District personnel. Use of temporary personnel has proven to be cost-effective and allows the District to plan, flexibly, for program and project demands, particularly during peak workload periods. The need for this temporary labor force has increased significantly in recent years, and is anticipated to grow through the 1992-93 Fiscal Year (F/Y) because of planned objectives in critical areas such as facilities expansion programs and other essential projects.

To meet the increased F/Y 1992-93 temporary personnel requirements, the Personnel Division proposes to amend existing contracts and enter into new ones with various temporary employment agencies, in amounts totaling \$6,330,976. This will provide temporary personnel for all the District's departments and divisions, with the exception of the Engineering Division.

In F/Y 1991-92, the District entered into sixteen (16) contracts with temporary employment agencies, at a cost of approximately \$3,000,000. These agencies are Equal Employment Opportunity employers; several are minority and/or women-owned firms; and each is required to have an Affirmative Action plan on file with the District. Services performed by the sixty-five (65) temporary employees from various agencies included: basic and specialized clerical duties; skilled and unskilled labor; skilled craft work; technical writing; and professional assignments in categories such as buyers, programmers, computer technicians, and laboratory assistants. Costs for these temporary employees range from approximately \$14 per hour to \$75 per hour, and will increase with normal inflation.

The need for temporary staff fluctuates and is frequently subject to demand on an immediate basis. Some of the new or amended contracts will exceed the General Manager's \$250,000 limitation. Because the contract approval process is complex and time-consuming, seeking Board approval for each new or amended contract over \$250,000 limits Personnel's ability to provide required temporary services in a timely manner. Therefore, it is requested that the General Manager be delegated the authority to approve temporary agency contracts in excess of \$250,000. This would also enable the District to negotiate more favorable rates and services. Funds have been budgeted and approved by the Board of Directors for those divisions requiring such temporary assignments.

Section 8103(i) of the Administrative Code eliminates the need to competitively bid professional service contracts such as those which have been or will be set up for the purposes explained in this letter.

This action is exempt from the provisions of the California Environmental Quality Act because it could have no significant effect on the physical environment.

Board Committee Assignments

This letter was referred for action to:

The Organization and Personnel Committee because of this Committee's jurisdiction over the terms and conditions of employment of all consultants, advisors, and special counsel, pursuant to Administrative Code Section 2471(g).

Recommendation

ORGANIZATION AND PERSONNEL COMMITTEE FOR ACTION.

That the General Manager be authorized to amend existing contracts and enter into new contracts with temporary employment agencies in excess of the \$250,000 limitation with an overall limitation of \$6,330,976 for F/Y 1992-93, substantially in accordance with the terms outlined in this letter, and in form approved by the General Counsel.


Cari Beronkay