**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

September 23, 1993

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

From: General Manager

Subject: Authority for the General Manager to Enter into and Amend Existing Contracts with Temporary Employment Agencies Supplying Temporary Personnel with an Overall Limitation in Total Amounts Paid of \$3,968,850 through the Second Quarter of Fiscal Year 1993-94 (\$1,984,425 Quarterly)

Report

This letter addresses the temporary agency agreements which are administered by the Personnel Division. Some, but not all, of these agreements may exceed the General Manager's approval authority of \$250,000. The Personnel Division administers the District's temporary employment agency agreements for all departments and divisions with the exception of the Engineering Division's professional services labor agreements. However, the Personnel Division does administer agreements for some of the Engineering Division's temporary agency staffing requirements. The budget for these charges has been included in the Engineering Division's temporary labor allocation for the current fiscal year.

Appropriate funds have been budgeted and approved by your Board for those departments and divisions requiring temporary employment agency employees for which the Personnel Division administers agreements. The District's 1993-94 fiscal year (F/Y) temporary labor budget for the subject organizations is \$7,937,700.

To provide the necessary temporary personnel services, it is proposed to amend existing agreements, or enter into new ones with the various temporary employment agencies, in amounts totaling no more than \$3,968,850 through the second quarter of fiscal year 1993-94 (\$1,984,425 quarterly). At the request of your Board's Organization and Personnel Committee, authority is requested in quarterly amounts instead of the full F/Y. During the current quarter (since July 1, 1993) approximately \$1,500,000 has been expended on temporary employment agency employees.

The ability for the General Manager to exceed the \$250,000 limit provides much greater efficiency in the administration of the temporary agency agreements. This

delegation of authority also enhances administrative procedures by eliminating lengthy revision processes that would otherwise be required were this authority not be extended to the General Manager. Costs are monitored on a continual basis by the Personnel Division using an on-line cost inquiry system. When the monetary limitation of the agreements are reached, a change order is prepared under this authority and funds for the agreements are adjusted without disruption or termination of service.

Attachment "A" Projected Summary of Temporary Agency Employee Usage, shows the categorization of temporary employment agency employees at the District. The temporary services provided include basic and specialized clerical duties; unskilled labor; skilled craft work; technical writing; and professional assignments. At the present time 144 temporary employment agency employees provide services for the District. Within Category I are listed 42 temporary agency employees who were hired by the Operations Division for a 15 Week Apprenticeship Program. This program is intended to provide work experience for targeted minority/female disadvantaged youths between the ages of 18 and 25 years.

The Administrative Services Division is currently studying the feasibility of eliminating all temporary employees within the division. At the conclusion of this review a recommendation will be made regarding the reallocation of these work assignments.

At the present time, we are using the services of 24 temporary employment agencies. Ten of the firms are either women- or minority- owned (forty-two percent).

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 can have no significant effect on the physical environment.

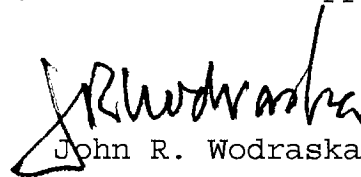
Board Committee Assignment

This letter is 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

It is recommended that the General Manager be authorized to amend existing agreements and enter into new agreements with temporary employment agencies in excess of the \$250,000 limitation, as specified in the District's Administrative Code. The overall limitation to this delegation of authority is \$3,968,850 through the second quarter of fiscal year 1993-94 (\$1,984,425 quarterly) substantially in accordance with the terms outlined in this letter, and in forms approved by the General Counsel.

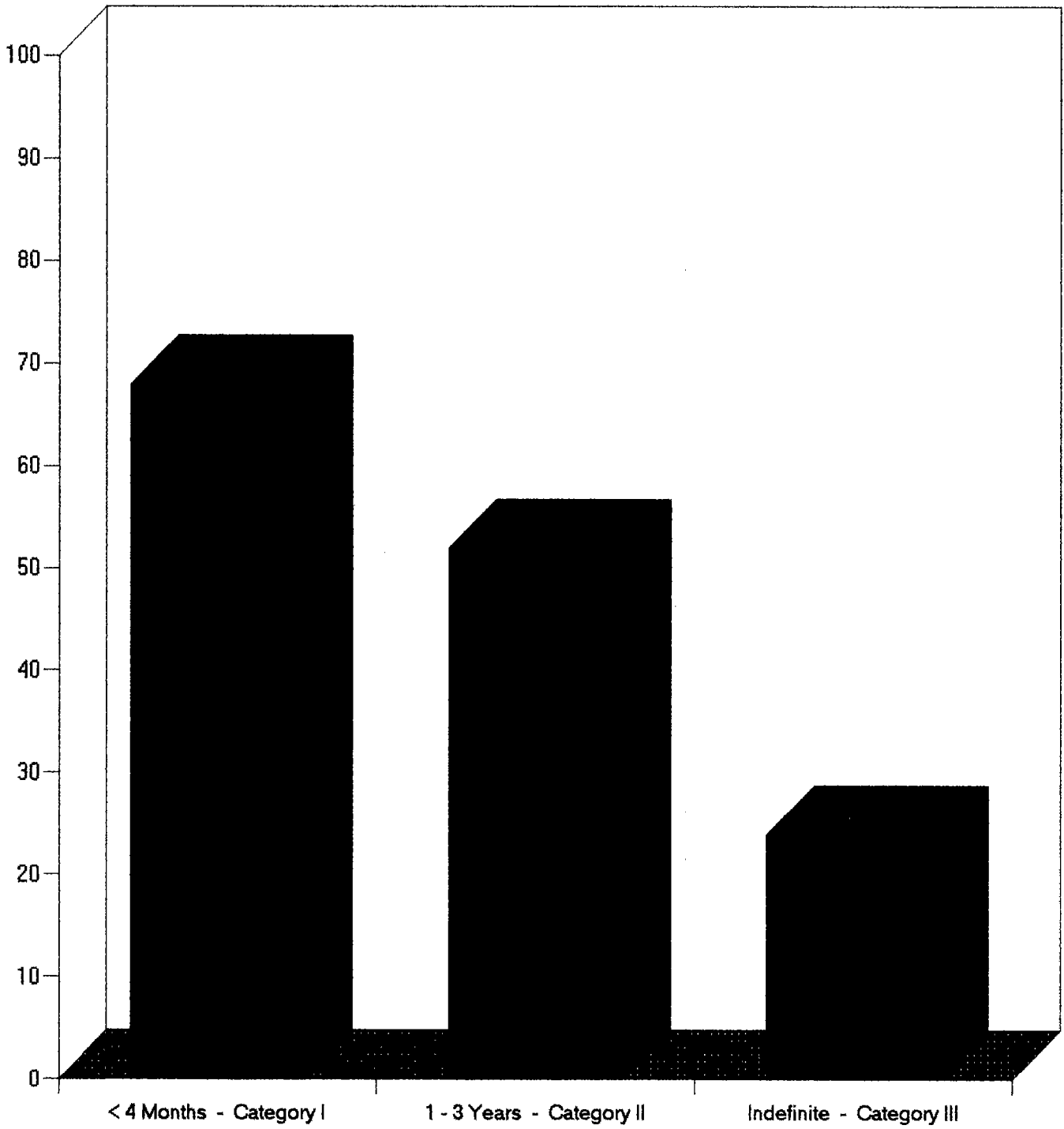


John R. Wodraska

GJB/dc
attachment

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Projected Summary of Temporary Agency Employee Usage



Category I - Short Term - These temporary agency employees are employed for periods of several days to four months or longer in duration, substituting for regular employees who are out on leave, or as additional workers for short periods of time to assist with seasonal work load demands.

Category II - Long Term - Temporary agency employees within this category are employees that the division must continue to maintain on a long-term assignment, where the positions would not be filled on a permanent basis because the job or duties have an expected end date such as where future automation will preclude the need for that position, or when working on a project with a specified end date.

Category III - Convert to Permanent - Temporary agency employees that fall within this category occupy positions performing ongoing duties and tasks that must be performed by the division in order to accomplish its work. If funds were to become available through the budget process, these positions would be filled with regular employees.

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