



● **Board of Directors**
Water Quality and Operations Committee

April 14, 2009 Board Meeting

7-1

Subject

Authorize entering into two agency temporary skilled labor agreements

Description

Additional skilled craft labor is needed on a short-term temporary basis to augment full-time labor for specific work needs. These resources may be used for emergency repairs, scheduled shutdowns, capital projects, and reimbursable projects to manage peak demands and to address critical maintenance work that must be conducted during unanticipated long-term regular employee absences. Over the next five-year period, Metropolitan anticipates utilizing up to \$750,000 worth of temporary labor services per year to meet peak demands. The typical agency temporary laborers that may be needed include carpenters, electricians, iron workers, machinists, masons, millwrights, pipe fitters, welders, and mechanics.

Metropolitan has been utilizing short term temporary labor services since 1988 for purposes of providing supplemental labor to assist with specific projects such as the Colorado River Aqueduct Pump Rehabilitation Program and the Chemical Containment Facilities Program. These resources have also assisted in meeting demands for reimbursable projects as well as supplementing the workforce during military or medical leave. Since 2004, Metropolitan has reduced the utilization of these services by an average of 12 percent per year due to the expansion of the Apprenticeship Program and the reduction of expenditures in the Capital Investment Program.

Agencies providing skilled workers are responsible for screening, testing, verifying certifications and licenses, and ensuring that temporary workers meet minimum qualifications regarding skills and environmental health and safety training required for the particular work assignment. In addition, the agencies are responsible for providing written verification that all persons hired for temporary work assignments are eligible for employment under all state and federal laws and have passed required background investigations. Individuals from each agency are limited to a maximum of six months on any one project and six months must elapse between temporary assignments. All crafts covered by a prevailing wage determination will be entitled to prevailing wage rates; however, agency temporary workers are not eligible for per diem expenses or reimbursement for costs incurred performing work at any site within Metropolitan's service area.

Selection Process

Request for Proposal (RFP) No. 190168A for skilled craft and labor support was issued in November 2008 as a competitive method to select agency contractors to provide temporary skilled labor. In response to RFP No. 190168A, proposals were received from six firms. The evaluation criteria included organizational qualifications; ability to meet work requirements; adequacy of staffing to meet demand and urgent conditions; past performance including client satisfaction and response time; environmental sensitivity including use of green products and recycling policies; and a competitive fee rate schedule. Based on an evaluation of the proposals, staff recommends entering into labor agreements with Stockmar Elite and with Premier Personnel Resources.

This action authorizes the General Manager to enter into one-year agreements, with up to four annual renewal options, with Stockmar Elite in an amount not to exceed \$500,000 per year and with Premier Personnel Resources in an amount not to exceed \$250,000 per year. No funding or project authorizations are required under this action. In addition, no work is guaranteed to Stockmar Elite or Premier Personnel Resources under these agreements. For these agreements, Metropolitan has established a Small Business Enterprise (SBE) participation goal of 20 percent. Both firms are registered as an SBE in Metropolitan's NetConnect system.

Policy

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

California Environmental Quality Act (CEQA)

CEQA determination for Options #1, #2, and #3:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities (Section 15378(b) (2) of the State CEQA Guidelines). In addition, the proposed action is not subject to CEQA because it involves other government fiscal activities, which do not involve any commitment to any specific project, which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not subject to the provisions of CEQA pursuant to Sections 15378(b) (2) and 15378(b) (4) of the State CEQA Guidelines.

Board Options

Option #1

Adopt the CEQA determination and authorize the General Manager to enter into the following labor agreements:

- a. A contract for provision of agency temporary skilled labor with Stockmar Elite not to exceed \$500,000 per year; and
- b. A contract for provision of agency temporary skilled labor with Premier Personnel Resources not to exceed \$250,000 per year.

Fiscal Impact: None; expenditures are budgeted and approved under the individual projects.

Business Analysis: These labor agreements allow Metropolitan to meet peak skilled craft and labor demands and to address critical maintenance work during unexpected full-time employee absences. In addition, multiple contracts enhance the resource pool.

Option #2

Adopt the CEQA determination and authorize the General Manager to enter into a labor agreement with Stockmar Elite for an amount not to exceed \$750,000 per year.

Fiscal Impact: None; expenditures are budgeted and approved under the individual projects.

Business Analysis: The labor agreement allows Metropolitan to meet peak skilled craft and labor demands and to address critical maintenance work during unexpected full-time employee absences.

Option #3

Reject all proposals and do not authorize the General Manager to enter into agency temporary labor agreements.

Fiscal Impact: Unknown fiscal impact

Business Analysis: Metropolitan would not be able to meet peak skilled craft labor demands. Some projects would be delayed and additional labor resources would not be available during emergency repairs.

Staff Recommendation

Option #1



James F. Green
Manager, Water System Operations

3/30/2009

Date



Jeffrey Kightlinger
General Manager

4/1/2009

Date

BLA #6647