



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 8e

**ACTION ITEM**

**Date of Meeting** March 9, 2021

**DATE:** March 9, 2021

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Kim DesMarais, Director, Talent Management, Human Resources  
Ericka Singh, Manager, Talent Acquisition, Human Resources  
Derek Bender, Lead Sr. Talent Acquisition Representative, Human Resources

**SUBJECT: Temporary Staffing Agency Services for Administrative (Clerical) and Non-Technical Support**

**Estimated amount of this request: \$2,000,000**

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute up to three contracts for two-year periods with three one-year options with temporary staffing agencies. This is in support of administrative services and non-technical project assistance for all departments throughout the Port of Seattle. The estimated sum of the usage against contract(s) will not exceed \$2,000,000 expiring five years from execution.

**EXECUTIVE SUMMARY**

These temporary staffing agency contracts support a variety of staffing needs typically resulting from staff turnover and/or for special projects for all departments throughout the Port. Periodically departments have special projects and/or critical administrative support roles requiring additional temporary staff during turnover/transition and/or additional projects requiring increased staffing. Often current staff are fully committed to existing operational priorities leaving little capacity for these occasional and yet critical assignments or taking on additional duties for staff who have departed their roles. These contracts provide the Port with the flexibility to meet business needs as they arise by allowing departments to add qualified temporary professional staffing on an as-needed basis.

**JUSTIFICATION**

Over the past five years, the Port of Seattle has held contracts with two Temporary Staffing Agencies; Howroyd Wright Employment Agency, Inc. dba AppleOne Employment Services and Eident Consulting Group, LLC. in support of the requested services outlined. The future contracts will allow the Port to continue to hire temporary professional support staff on an as-needed basis for a fixed period of time and at a pre-determined hourly rate. The table below summarizes the

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combined contract expenses, scope/level of support and number of assignments over the last 4.5 years.

**Total expenditures to-date: ~\$804,000 through 12/31/2020**

Year	Total Expenditures
2016 (Partial year beginning 7/1)	\$81,307.86
2017	\$316,509.78
2018	\$194,045.94
2019	\$115,554.08
2020	\$95,839.91
<b>Total</b>	<b>\$803,257.57</b>

GENERAL JOB LISTINGS	NUMBER OF ASSIGNMENTS (July 2016 – Present)
Clerical 1	72
Clerical 2	08
Clerical 3	14
Clerical 4	19
Executive Clerical Assistant	--
Payroll Clerk	02
Project Support Specialist	03
<b>Total</b>	<b>118</b>

With the reduced activity due to the COVID-19 pandemic, we are mindful that requests for services will remain low and only utilized when all other cost-effective measures are evaluated by departments for staffing support, including leveraging other team members or pursuing other HR sponsored programs like *PortAbility*. Over the past 12 months, usage of these contracts has been minimal with only one (1) ongoing assignment and no (0) new assignment placements since January 2020. That accounts for some of the difference between the maximum authorized and awarded maximum contract value requested versus the actuals spent to both vendors over the life of each contract.

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**Diversity in Contracting:**

We are currently working with the Diversity in Contracting office to determine WMBE aspirational goals if subcontracting opportunities are available.

**Schedule**

Commission authorization	March 2021
Request for Proposal Advertisement	March 2021
Contract Award	End of Q2, 2021
Start of Service	July 1, 2021

**Cost Breakdown**

The total estimated cost of implementing and executing these contracts over a two (2) year period with three (3) one-year options is \$2,000,000. Since this contract(s) will be utilized on an as-needed basis and reasons for temporary services cannot always be foreseen, the estimated value of the contract is based upon the utilization of the current temporary agency services since its inception in 2016, factoring underutilization since the beginning of the COVID-19 crisis, annual estimated cost of living adjustments and year over year escalators in vendor rates, minimum wage increases and benefit costs for future anticipated bill rates. Each Port of Seattle department will be responsible for payment at the agreed upon bill rate outlined in the contract(s) for the services requested. Hourly rates for services are submitted by interested agencies during the RFP process and will be evaluated during the selection process by Human Resources. Appropriate rates are set through this contract for the various levels of services requested and delivered. Hourly rates for services are not negotiable between temporary agency employees and the department receiving the service. Human Resources will pay invoices using the receiving department org and subclass information.

*Assumptions:*

- An increase in bill rates to reflect City of Seattle cost of living and continual livable wage evaluations within the local talent market.
- Increase in benefit costs for vendor, rolled into overall bill rates charged to the Port.

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** - Hire “Emergency Hire” staff instead of entering into a contract with outside agencies.

Cost Implications: Emergency Hires cost an estimated 16.75% more than the current rates for Temporary Staffing Agency staff in administrative positions.

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Emergency Hire versus Clerical Level Comparison:

Request Level	Current Temp Rate	Emergency Hire Midpoint Rate
Clerical 1/EH Grade 14	\$22.50	\$28.02 (+24.5%)
Clerical 2/EH Grade 16	\$25.50	\$30.57 (+19.9%)
Clerical 3/EH Grade 19	\$28.50	\$34.80 (+22.1%)
Clerical 4/EH Grade 21	\$31.50	\$38.02 (+20.7%)
Payroll Clerk/EH Grade 19	\$36.00	\$34.80 (-3.4%)

Pros:

1. Emergency Hires are considered Port employees and are given increased access to systems like Concur and Purchasing Cards. This allows greater flexibility for scope assignments.
2. Emergency Hires are eligible for many (but not all) Port provided benefits.
3. Emergency Hires are considered employees when applying for other internal job opportunities.

Cons:

1. Emergency hires would require the department or Human Resources to identify or source a candidate for the opportunity.
2. If recruitment is needed, it would result in a significantly longer lead time to identify and bring a candidate on board.
3. Emergency Hires are limited to a maximum of 150-day assignment as a result of Department of Retirement Systems PERS implications.
4. Often scope of work and assignment needs exceed 150 days, resulting in the department not fulfilling all aspects of the scope of work.
5. Emergency Hires are considered Port of Seattle employees; Temporary Agency staff are employees of their respective agency which assumes most of the risk/liabilities related to employment.

This is not a recommended alternative.

**Alternative 2** – Departments work with Human Resources to internally advertise PortAbility opportunities, seeking internal staff interest through a defined scope of work. *\*Regardless of approval, the PortAbility program will be recommended to departments for consideration of their staffing needs prior to Temporary Staffing Agency request.*

*Cost Implications:* Revenue neutral, as participants in the program maintain their current rate of pay and charge all hours worked to their regular department’s payroll/budget.

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Pros:

1. Employees are given an opportunity to experience work in a new and/or different department, providing growth and development of skills.
2. Departments have an internal resource that already has various levels of familiarity with the Port.
3. There are limited expenses, if any, associated with placing employees in PortAbility assessments.
4. Since participants are employees, they have access to all needed systems without limitation.

Cons:

1. PortAbility assignments require additional time to fill in order to advertise the opportunity internally.
2. Some opportunities do not receive any internal interest and critical/immediate work need cannot be met.
3. Departments that allow for their employees to participate are left with a gap in their own department, creating a potentially endless cycle of need/requests.
4. PortAbility opportunities are generally designed to support the development of staff rather than solely meet a business or operational need.

This is not a recommended alternative.

**Alternative 3** – Procure up to three (3) temporary staffing agency contracts.

*Cost Implications:* As described above, the total estimated cost of implementing and executing these contracts over a two (2)-year period with three (3) one-year options is \$2,000,000. This amount is forecasted using historical utilization data over the previous five (5) years, annual estimated cost of living adjustments and year over year escalators in vendor rates, minimum wage increases and benefit costs for future anticipated bill rates.

Pros:

1. Assignments require little time to fill, increasing likelihood of more immediate staffing support.
2. Almost all opportunities result in multiple qualified professionals shared with the Port by vendors for consideration, able to help meet the business need of the department.
3. Does not diminish staffing capacity in other areas and/or departments; unlike instances where employees serve in stretch or PortAbility assignments.
4. Temporary staffing agencies have much deeper and broader databases of candidates to serve in various roles.
5. Provides for flexibility if scope of work and assignment need require longer term extension.
6. Agency staff are employees of their respective agencies which assume most risk/liability.

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*Cons:*

1. Likely have more restricted access to systems like Concur and Purchasing Cards per policy.
2. Often lack specific Port knowledge and require more training than leveraging existing staff.
3. Increase cost compared to PortAbility program participants.

**This is the recommended alternative.**

**FINANCIAL IMPLICATIONS**

The total contract(s) will not exceed \$2,000,000. No work is guaranteed to staffing agencies and the Port is not obligated to pay until services are rendered.

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

**April 12, 2016** – The Commission authorized the Executive Director to execute two contracts for temporary employment services agencies with a contract duration of up to five years (one year plus four one-year options) for a total amount of \$2,500,000. This was in support of staffing needs for all departments related to Administrative/Clerical support. This was item 4d on the April 12, 2016, meeting.

**April 12, 2011** – The Commission authorized the Chief Executive Officer to execute a one-year contract for a temporary employment services agency with four one-year renewal options to be exercised at the sole discretion of the Port of Seattle and not to exceed \$1,500,000.