



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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December 16, 2014

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. RFP HR-FM15-024 and award a contract to Howroyd Wright Employment Agency, Inc., dba AppleOne Employment Services, of Long Beach, CA, for temporary staffing services, in an annual amount of \$2,500,000, and authorize a 10 percent contingency in the amount of \$250,000, for a total annual amount not to exceed \$2,750,000, for a period of two years, with the option to renew for three additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into an annual contract with Howroyd Wright Employment Agency, Inc., dba AppleOne Employment Services (AppleOne), for temporary staffing services. Services are used Citywide to fulfill the requirement for clerical support on a temporary basis, as necessary, by providing support for positions temporarily vacant due to promotions, retirements, resignations, and protected leaves under the Family Medical Leave Act (FMLA). In addition, services are used to assist departments with meeting project-related peak workloads.

The proposed contract includes a reduction of 0.5 percent of the vendor markup on the employee hourly rate, an increase of \$2/hour for each position in year one, and \$1/hour increase effective January 1, 2016. Due to the decreased markup cost, the recommended base award of \$2.5 million per year will remain unchanged from the previous contract. AppleOne provides health insurance options to their temporary employees at a reasonable and affordable cost, as required by the Affordable Care Act.

A Request for Proposals (RFP) was advertised in the Press-Telegram on November 6, 2014, and 3,330 potential bidders specializing in temporary staffing services were notified of the RFP opportunity. Of those proposers, 109 downloaded the specifications via our electronic bid system. The document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local,

minority and women-owned business groups. Sixteen proposals were received on November 12, 2014. Of those 16 proposals, one was a Disadvantaged Business Enterprise (DBE), two were Minority-owned Business Enterprises (MBEs), four were Women-owned Business Enterprises (WBEs), four were certified Small Business Enterprises (SBEs), and two were Long Beach businesses (Local).

A four-member selection committee comprised of staff from three City departments evaluated all proposals on the criteria stated in the RFP. Seven proposals were selected by the committee for further review and consideration, of which four demonstrated the highest level of competence, experience in performance of comparable engagements, expertise and availability of key personnel, financial stability, and conformance with the terms of the RFP. After reviewing cost proposals, the three proposals offering the most competitive pricing were interviewed. The selection committee determined that Howroyd Wright Employment Agency, Inc., dba AppleOne Staffing Services, of Long Beach, CA (MBE, WBE and Local), provided the proposal that was the most responsive and responsible to the terms of the RFP, and provides the best value for the City's needs.

Local Business Outreach

In an effort to align with our outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the Bids Online database to download RFP specifications. Through outreach, 360 Long Beach vendors were notified to submit proposals, of which 12 downloaded and two submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Amy Webber on November 21, 2014 and by Budget Management Officer Victoria Bell on November 25, 2014.

TIMING CONSIDERATIONS

The current contract will expire on January 3, 2015. City Council action to adopt Specifications No. RFP HR-FM15-024 and award a contract concurrently is requested on December 16, 2014 to ensure a new contract is in place expeditiously.

FISCAL IMPACT

Contract costs will not exceed \$2,750,000 annually, including the recommended 10 percent contingency of \$250,000, and are budgeted in various departments and funds. Exclusive of the recommended 10 percent contingency, the requested annual amount of \$2,500,000 remains unchanged from the previous award. AppleOne Staffing Services currently employs 18 Long Beach residents as temporary personnel for the City. The recommended action will provide continued support to our local economy by assisting in the preservation of these services.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:



PATRICK H. WEST
CITY MANAGER