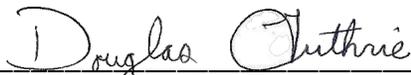


RESOLUTION AUTHORIZING EXECUTION OF AMENDMENT NO. 1 TO CONTRACT HA-2022-24-PB WITH HARMIN SERVICES NO.1, INC. (DBA HART EMPLOYMENT SERVICES) FOR TEMPORARY STAFFING SERVICES, TO EXTEND THE CONTRACT TERM AND INCREASE ITS CONTRACTING AMOUNT TO \$1,500,000



Douglas Guthrie
President & Chief Executive Officer



Annie Markarian
Director of Labor and Employee Relations

Purpose: The purpose of this item is to authorize the Housing Authority of the City of Los Angeles’ (“HACLA’s”) President and CEO, or designee, to amend Contract HA-2022-24-PB with Harmin Services No.1. Inc., DBA Hart Employment Services (“HART”) to extend the term for up to an additional four years and increase the contracting amount to \$1,500,000.

Regarding: On March 1, 2022, HACLA entered into Contract No. HA-2022-24-PB with HART to provide temporary staffing services needed to support the newly established Emergency Housing Voucher (“EHV”) Unit. The original contract amount was \$250,000 with a contracting term that expires on February 28, 2023. As HACLA’s operational needs evolve and nationwide staffing shortages continue to impact our recruitment efforts, HACLA desires to expand the use of temporary staffing support beyond the EHV unit and to utilize temporary staffing for a longer period at additional contracting expense. In order to do so a HART contract amendment approved by the Board of Commissioners is required.

Issues: On or about March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (the “ARP”) into law, which provided \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local government, individuals and businesses. Utilizing the ARP funds, the U.S. Department of Housing and Urban Development (“HUD”) allocated approximately 70,000 EHV’s to public housing agencies, where HACLA received nearly 4,000 of those EHV’s.

Working in collaboration with impacted bargaining units, HACLA launched a new, temporary, EHV Unit. The unit was staffed utilizing internal promotional candidates, new limited-term hires, and third-party temporary staff. While the third-party temporary staff were intended to provide support for a 6-month term, that term has been extended by mutual agreement between HACLA and the impacted bargaining unit.

Through its use in the EHV unit, we have recognized third-party temporary staffing services can be an effective tool for other, limited, staffing needs. Specifically, HACLA intends to expand the use of such services to backfill long-term temporary vacancies in non-supervisory classifications.

There is a nationwide staffing shortage that is impacting HACLA. While HACLA has seen recent success in filling permanent budgeted vacancies through new and creative recruitment techniques, backfilling long-term temporary vacancies continues to pose a great challenge for a myriad of reasons, including policy/procedural restrictions related to temporary backfills, as well as a competitive job market. Moreover, regardless of whether we backfill temporary vacancies internally or externally, the delay in having a person at that desk causes notable backlog and impacts HACLA's ability to serve the public. The challenges posed by long term temporary vacancies are further exacerbated due to the fact that often we get little notice of an employee needing to go on leave, or having leaves extended multiple times with minimal notice.

At this time, the most effective solution to the challenges posed by long term temporary vacancies is utilizing the support of a temporary staffing agency. From our recent history utilizing such a service, we are confident it will support our efforts to onboard qualified staff quickly while maintaining stability across our departments and units.

The decision to expand use of HART is expected to impact two of our five bargaining units – American Federation of State, County and Municipal Employees (“AFSCME”) and the Council for Housing Professionals – Administration (“CHP-A”). We have met and conferred with AFSCME and have come to a mutually acceptable arrangement that HACLA's needs for staffing and stability as well as their members' needs for promotion and training. We continue to meet with CHP-A and are confident that we can reach a similarly acceptable agreement in the coming weeks.

Procurement: HUD permits and encourages housing authorities to purchase common goods and services that are routine in nature under competitively awarded contracts entered into by other public agencies through a procedure called "cooperative purchasing" (aka “piggybacking”) to realize greater economy, efficiencies and reduce costs.

On July 20, 2021, the Los Angeles County Development Authority (“LACDA”) issued an Invitation for Bids No. LACDA21-022 (the “IFB”) seeking temporary staffing services. The IFB was advertised on LACDA's website and LACoBids.com. Twenty-one (21) firms responded to the IFB. HART submitted one of the best priced proposals amongst the five (5) contract awardees. Thereafter, on October 7, 2021, LACDA and HART executed a contract (“LACDA-HART Agreement”) for an initial one-year with four (4) one-year options for renewal.

HACLA staff determined that piggybacking off of the LACDA-HART Agreement satisfied HUD's criteria for cooperative purchasing because: (i) use of the LACDA-HART Agreement provided for greater economy and efficiency and result in cost savings to HACLA; (ii) the nature of the services is routine; (iii) the scope of the services provided to HACLA is sufficiently equivalent to the scope of the services provided to LACDA; (iv) the LACDA-HART Agreement was procured in compliance with 2 CFR 200.318(e); and (v) the cost and availability of the services was evaluated as part of the LACDA-HART Agreement.

On March 1, 2022, pursuant to HACLA's Procurement Policy and Contracting Officer authority provided therein, HACLA entered into Contract No. HA-2022-24-PB with HART (the "HACLA-HART Agreement") in the amount of \$250,000, for a one-year term expiring February 28, 2023. The HACLA-HART Agreement utilized the terms, conditions and pricing set forth in the LACDA-HART Agreement, supplemented to include required HUD contract provisions.

HACLA staff have determined that using HART employment services to assist with HACLA's immediate temporary staffing needs has been beneficial. Temporary staffing agencies allow HACLA to fill temporary vacancies in an efficient and timely manner. In addition, the HACLA-HART Agreement pricing remains reasonable and advantageous to HACLA.

Vision Plan: **PATHWAYS Strategy #8: Evaluate and facilitate modifications to the organizational chart and structure to improve program alignments and succession planning.**

PATHWAYS Strategy #9: Improve staff morale and productivity.

While HACLA strives to reduce the amount of staff vacancies in accordance with Section 108:07's Employment, Promotion and Placement provision in HACLA's Personnel Rules, the current employee pool available in the marketplace has directly impacted the timeliness to fill these open positions. Using a temporary agency to fill temporary vacancies in the limited scope as set forth above increases HACLA's ability to promptly provide available staff, reducing the time to fill temporary vacancies and delivering the added workforce needed to service HACLA's mission.

Funding: The Chief Administrative Officer confirms the following:

Source of Funds: The initial costing, \$250,000, of this contract is allocated primarily to Section 8 Department for EHV, however with the extension and expansion, this contract will be allocated to various departments as services are needed.

Budget and Program Impact: HACLA anticipates expenditures for an additional \$1,250,000. The necessary funds are available and are included in the 2022 operating budget and will be budgeted in subsequent years as required.

Section 3: The contract with HART does not trigger HUD Section 3 requirements under 24 CFR Part 75. Notwithstanding, HACLA imposed Section 3 pursuant to its Section 3 Policy and Compliance Plan. HART committed to work with Section 3 Program staff to recruit Section 3 Workers for employment positions. To date, all new hires through HART qualify as Section 3 Workers. The expansion of the contract creates additional employment opportunities that can be filled by Section 3 Workers. HART and Section 3 Program staff will continue to work together to find qualified candidates to fill these positions.

Attachments: Resolution

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION OF AMENDMENT NO. 1 TO CONTRACT HA-2022-24-PB WITH HARMIN SERVICES NO.1, INC. (DBA HART EMPLOYMENT SERVICES) FOR TEMPORARY STAFFING SERVICES, TO EXTEND THE CONTRACT TERM AND INCREASE ITS CONTRACTING AMOUNT TO \$1,500,000

WHEREAS, HACLA requires Temporary Staffing Services (“Services”) for various personnel vacancies;

WHEREAS, on July 20, 2021, the Los Angeles County Development Authority (“LACDA”) issued an Invitation for Bids (“IFB”) No. LACDA21-022 seeking Services for itself;

WHEREAS, LACDA’s solicitation was advertised on LACDA’s website and LACoBids.com. Twenty-one (21) firms responded to the IFB and Harmin Services No. 1, Inc., DBA Hart Employment Services (“HART”) was one of the best-priced proposals submitted amongst the five (5) awarded contractors;

WHEREAS, on October 7, 2021, LACDA and HART executed a contract “(LACDA-HART Agreement)” for the Services for an initial one-year term with four (4) one-year options for renewal;

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) permits and encourages housing authorities to purchase common goods and services that are routine in nature under competitively awarded contracts entered into by other public agencies through a procedure called "cooperative purchasing" (aka “piggybacking”) to realize greater economy, efficiencies and reduce costs;

WHEREAS, after having found that piggy-backing off of the LACDA-HART Agreement satisfied HUD’s criteria for cooperative purchasing, HACLA entered into Contract HA-2022-24-PB with HART (the “Hart Contract”) in the amount of \$250,000 to provide the Services through February 28, 2023, pursuant to Contracting Officer authority;

WHEREAS, for the reasons set forth in the Report of the President and CEO, HACLA now desires to amend the HART Contract to extend its term through February 28, 2027, and increase its contracting amount to \$1,500,000, pursuant to Board of Commissioners approval.

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NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby authorizes the President and CEO, or designee, to execute Amendment No. 1, to the HART Contract extending its term through February 28, 2027, and increasing its contracting amount to \$1,500,000.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

APPROVED AS TO FORM:

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

BY: _____
James Johnson, General Counsel

BY: _____
Cielo Castro, Chairperson

DATE ADOPTED: _____