

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY)	ORDINANCE NO. 95-589
1994-95 BUDGET AND APPROPRIATIONS)	
SCHEDULE BY TRANSFERRING \$6,500)	Introduced by Mike Burton,
FROM MATERIALS AND SERVICES TO)	Executive Officer
PERSONAL SERVICES IN THE BUILDING)	
MANAGEMENT FUND FOR THE)	
PURPOSE OF ADDING ONE SECURITY)	
OFFICER I POSITION IN LIEU OF ONE)	
CONTRACT SECURITY OFFICER; AND)	
DECLARING AN EMERGENCY)	

WHEREAS, The General Services Department currently uses contract security services to cover the main security/reception desk in the Metro Regional Center, and

WHEREAS, The contracted security officer at this station provides the initial point of contact and information for many visitors to the Regional Center, and

WHEREAS, This purpose can be better served by a Metro employee than by a contracted individual, and

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 Budget, and

WHEREAS, The need for a transfer of appropriation has been justified, and

WHEREAS, Adequate funds exist for other identified needs; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 1994-95 Budget and Schedule of Appropriations is hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$6,500 from Materials and Services to Personal Services in the Building Management Fund.

2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon

Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this 9 day of Feb., 1995.



J. Ruth McFarland, Presiding Officer

ATTEST:



Cathy Rose
Clerk of the Council

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STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 95-589 FOR THE PURPOSE OF AMENDING THE FY 1994-95 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING \$6,500 FROM MATERIALS AND SERVICES TO PERSONAL SERVICES IN THE BUILDING MANAGEMENT FUND FOR THE PURPOSE OF ADDING ONE SECURITY OFFICER I POSITION IN LIEU OF ONE CONTRACT SECURITY OFFICER; AND DECLARING AN EMERGENCY.

Date: January 23, 1995

Presented by Doug Butler

BACKGROUND AND ANALYSIS

This Ordinance amends the Metro Regional Center budget within the Facilities Services Division of the General Services Department in the Building Management Fund to add one Security Officer I position in lieu of one contracted security officer. The annual cost increase for next year will be \$2,126 and is already reflected in the proposed FY 1995-96 budget.

The net cost increase for the remainder of this fiscal year is \$780 (assuming implementation on April 1st) and can be funded with other savings within the Department Budget. The net effect of this change this fiscal year will be to transfer \$6,500 from Materials and Services to Personal Services. Of this amount \$5,720 will be a decrease in the existing security contract and the balance of \$780 will be a decrease in Cleaning Services.

The General Services Department currently uses contract security services to cover the main security/reception desk in the Metro Regional Center 24 hours per day. The person assigned at this station provides the initial point of contact and information for many visitors to the Regional Center. This is particularly true of the individual assigned during normal business hours (8:00 a.m. to 5:00 p.m., Monday through Friday) when most visitors are in the building.

The security contractor rotated approximately 30 different individuals through this position during the normal business hours shift during the last calendar year. This high turn-over rate has resulted in substandard performance and has created a poor public impression. Further, this high turn-over has resulted in a significant loss of existing staff time to train and assist these numerous individuals. (We estimate that it takes our existing staff approximately 16 hours to get a new employee fully trained.)

This high-turnover of contract personnel is primarily a function of the low salaries paid in that industry. (Typically, the individuals in this position are paid \$5.25 - \$5.50/hour.)

Studies of this problem across the country have indicated that turn-over is reduced as salaries are increased. One option for addressing this problem would be to amend the existing contract to specify a higher minimum salary for individuals employed to cover the security/ reception desk during normal business hours. If this option were selected, Metro would be responsible for the resulting increased costs including typical contractor mark-ups. During the our negotiations for a new contract, for example, an increase in individual salary to \$7.00/hour, would result in a charge of \$11.00/hour to Metro.

This Ordinance addresses this turn-over problem by replacing a contract employee with a Metro employee during normal business hours. (While it might be desirable to consider replacing all of the contract security employees rather than just one shift, the increased costs of this strategy encourages a more conservative approach.) There are two primary advantages of this approach over the option of amending the contract to pay higher salaries. First, the combination of a good salary, excellent benefits, and a long-term job assignment will dramatically reduce turn-over from what can be expected under the contract even if contract salaries are increased. (The base salary for a Security Officer I is \$8.74/hour with a fringe benefit rate of 33.5%. The total cost is, approximately \$12.02/hour (including 6-month step increase) but the employee gets the full benefit of this expense compared with only \$7.00 under an amended contract.)

Second, the long-term Metro employee will certainly be more productive and more readily accepted. With more experience and consistency, the individual will know the staff and the activities of Metro well. In turn, this creates the opportunity to make assignments that could not be made to a temporary employee. Finally, the higher compensation rates will allow us to attract and screen for well-qualified individuals with a friendly, helpful attitude and to expect much greater competency.

BUDGET IMPACT

We expect to hire a Security Officer I beginning April 1, 1995 at \$8.74 per hour which equals \$6,500 (including fringe benefits) for the balance of FY 1994-95. This expense will be partially offset by a reduction of \$5,720 in the contract amount for security services - the amount associated with the reduction of one position from that contract. The net increase of \$780 is proposed to be funded from savings in our contract for janitorial services which has recently be renegotiated at a substantial savings.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 95-589.

Exhibit A
Ordinance No. 95-589

Building Management Fund

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		ORDINANCE 95-589	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Metro Regional Center Operations							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Director	0.30	21,303			0.30	21,303
	Associate Program Supervisor	0.55	26,725			0.55	26,725
	Principal Administrative Services Analyst	0.10	5,798			0.10	5,798
	Assistant Management Analyst	0.25	10,404			0.25	10,404
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	0.65	18,381			0.65	18,381
	Building Service Worker	1.45	33,191			1.45	33,191
	Security Officer II	0.90	21,000			0.90	21,000
	Security Officer I	0.90	16,864	1.00	4,869	1.90	21,733
511400	OVERTIME		1,260				1,260
512000	FRINGE		66,620		1,631		68,251
	Service Reimbursement-Workers' Comp		0				0
	Total Personal Services	5.10	221,546	1.00	6,500	6.10	228,046
<u>Materials & Services</u>							
521100	Office Supplies		1,500				1,500
521220	Custodial Supplies		7,500				7,500
521240	Graphics/Reprographic Supplies		2,000				2,000
521292	Small Tools		1,500				1,500
521310	Subscriptions		100				100
521510	Maintenance & Repairs Supplies-Building		500				500
524190	Misc Purchased Professional Services		55,000		(5,720)		49,280
525110	Utilities-Electricity		135,000				135,000
525120	Utilities-Water & Sewer		17,680				17,680
525130	Utilities-Natural Gas		63,440				63,440
525190	Utilities-Other		6,790				6,790
525200	Cleaning Services		194,353		(780)		193,573
525610	Maintenance & Repairs Services-Building		45,900				45,900
525620	Maintenance & Repairs Services-Grounds		9,400				9,400
526310	Printing Services		1,500				1,500
526800	Training, Tuition, Conferences		2,300				2,300
526900	Misc. Other Purchased Services		25,760				25,760
528100	License, Permits, Payments to Other Agencies		2,000				2,000
	Total Materials & Services		572,223		(6,500)		565,723
	Total Capital Outlay		55,000				55,000
	TOTAL EXPENDITURES	5.10	848,769	1.00	0	6.10	848,769
TOTAL BUILDING MANAGEMENT FUND EXPENDITURES		5.55	2,801,038	1.00	0	6.55	2,801,038

**Exhibit B
Ordinance No. 95-589**

FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current		ORD. NO. 95-589
	Appropriation	Revision	Proposed
			Appropriation
BUILDING MANAGEMENT FUND			
Personal Services	242,612	6,500	249,112
Materials & Services	700,249	(6,500)	693,749
Capital Outlay	60,000		60,000
Interfund Transfers	1,428,958		1,428,958
Contingency	50,000		50,000
Unappropriated Balance	319,219		319,219
Total Fund Requirements	2,801,038	0	2,801,038

All Other Appropriation Levels Remain as Previously Adopted