

# Committee Report

Management Committee



**Committee Meeting Date:** June 08, 2022

**For the Metropolitan Council:** Month 00, 2022

## Business Item: 2022-164

Ratification of Declaration of Emergency for Information Services Staffing Services #86

### Proposed Action

That the Metropolitan Council ratify the Emergency Declaration for Information Services Staff Augmentation Services in an amount not to exceed \$3,999,999.

### Summary of Management Committee Discussion/Questions

Craig Bantz, Chief Information Officer, and Jody Jacoby, Procurement Director, presented business item 2022-164.

Mr. Bantz and Mrs. Jacoby gave the following information: Information Services (IS) provides essential technology services that underpin the critical business operations of all Metropolitan Council divisions.

As part of the nationwide “great resignation” that has been particularly impactful to the IT sector, IS staffing levels have declined approximately 25% in the last year, accounting for more than 30 positions. Many of these positions are in essential IS roles critical for the success of the divisions and the Council as a whole. Mr. Bantz provided the following reasons for the IT staff level.

1. Retirements deferred during peak COVID restrictions going into effect recently
2. New positions that have never been filled and are difficult to fill
3. Compensation disparity to market
4. Being out-recruited by organizations competing for the same talent pool
5. An absence of workplace flexibility at the Council compared to competitors

The shortage of staff significantly impacts our risk posture by increasing the likelihood of service interruption. These challenges are compounded by pandemic-related supply issues, including the “chip shortage.” The Council is taking the following actions to address IS staff levels.

1. Near term, declaring an emergency declaration (2022-164) to enable IS to bring in temporary staff augmentation services to address immediate challenges.
2. Mid term, conducting an RFP for staff augmentation services elevating the need for the emergency declaration.
3. Long term, hiring an IT recruiting service, hiring a 2-year temporary employee in the HR department to focus on IS hiring, conducting a compensation and classification study to ensure IT salaries align with market, expediting our internal hiring processes, and introducing new hire and referral bonuses.

Committee Member Gonzales inquired about how long the declaration would last. Mr. Bantz provided that the declaration would be needed for approximately 6 months while an RFP was conducted for temporary staffing. Mrs. Jacoby explained how emergency declarations work and

how one was merited in this situation.

Committee Member Pacheco asked if the emergency declaration can be used to hire individuals, professional services, or both and encouraged the Council to use the situation as an opportunity to consider bringing in professional services. Mr. Bantz explained the emergency declaration was intended to temporarily bring in individual resources and agreed professional services should be investigated as part of our strategy, committing to do so. Committee Member Barber further encouraged Council management to leverage professional/consulting services.

Committee Member Muse asked if we could prioritize diverse hiring. Mr. Bantz explained that hiring diverse and highly capable candidates is a top priority even in an emergency situation. Additionally, Mr. Bantz explained that IS is prioritizing MCUBs vendors when using the emergency declaration and has been very successful, with the majority of emergency declaration contracts issued to MCUBs.

Committee Member Lee inquired if we are considering alternative models for completing IT work, specifically outsourcing. Mr. Bantz said that the scope of the emergency declaration does not include outsourcing, but that investigating outsourcing was a high priority for Council management.

Committee Chair Johnson asked how long we have known that an emergency was emerging and expressed a desire be informed earlier of such situations and for Council management to be more active in avoiding similar emergencies. Mr. Bantz provided that the situation has been emerging for approximately a year. Committee Chair Johnson inquired as to why the business item is for a dollar under four million and asked if four million represents a special threshold. Mrs. Jacoby explained that was how the declaration was created and that there is not a threshold at four million. Committee Chair Johnson asked how the four million needed to resolve the emergency situation would be funded. Mr. Bantz responded that savings from position vacancies would be used. Committee Chair Johnson asked to receive a memo providing an update on the resolution of the IS staffing situation as it progresses. Committee Chair Johnson inquired if we were already spending to resolve the emergency condition, and Mrs. Jacoby explained that with an emergency declaration funds can be spent immediately to resolve the emergency and that has happened in this case. Committee Chair Johnson asked why a compensation and classification survey has not been done in ten years for IS, expressing concern for both the duration since the last survey and the time it will take to do one now. Mr. Bantz responded that he is not sure what the reasoning is for that as it predates his tenure. Committee Chair Johnson asked if other government entities are having the same issues and emphasized that we should be pursuing IS staffing as actively as we have in other challenging staffing areas. Mr. Bantz explained that, yes, other government entities are having similar challenges. Committee Chair Johnson asked if it was likely that in six months we would need to renew the emergency declaration. Mr. Bantz said that in partnership with Mrs. Jacoby the need for the declaration would be resolved through an RFP for staff augmentation. Committee Chair Johnson inquired how far from market the Council was paying IT staff and if salary caps were an issue. Mr. Bantz said a salary survey is needed to say with certainty but that for middle- to senior-level positions the Council is likely 10-30% out of alignment with market and that salary grades will need to be considered as part of the resolution.

Committee Member Pacheco asked if the salary caps in state statute were a contributing factor. Mr. Bantz said that for two or three IS positions statutory limits might be a factor; however, it is not a core driver of the emergency situation.

Motion by Lee, seconded by Pacheco; Motion Carried

# Business Item

Management Committee



Committee Meeting Date: June 08, 2022

For the Metropolitan Council: June 22, 2022

## Business Item: 2022-164

Ratification of Declaration of Emergency for Information Services Staffing Services #86

**District(s), Member(s):** All

**Policy/Legal Reference:** Council Expenditure Policy FM 14-2, Emergency Expenditures

**Prepared/Presented:** Craig Bantz, Chief Information Officer, 651-602-1443  
Jody Jacoby, Procurement Director, 651-602-1144

**Division/Department:** Regional Administration, Information Services

### Proposed Action

That the Metropolitan Council ratify the Emergency Declaration for Information Services Staff Augmentation Services in an amount not to exceed \$3,999,999.

### Background

Information Services (IS) provides essential technology services that underpin the critical business operations of all Metropolitan Council divisions. IS is responsible for the continuous operation and security of more than 200 critical applications and hundreds of databases, as well as thousands of computers, mobile devices, phones, servers, and pieces of network equipment.

As part of the nationwide “great resignation” that has been particularly impactful to the IT sector, IS staffing levels have declined approximately 25% in the last year, accounting for more than 30 positions. Many of these positions are in essential IS roles critical for the success of the divisions and the Council as a whole. Most staff reductions are due to planned retirements that were deferred during peak COVID-19 restrictions. Reduced staffing levels are impacting core IT service delivery including performing essential maintenance. The shortage of staff significantly impacts our risk posture by increasing the likelihood of service interruption. These challenges are compounded by pandemic-related supply issues, including the “chip shortage” and return to office demands. It is critical to address staffing levels to respond to emergent pandemic related and business unit issues.

Staff augmentation services are required to address the emergency condition. Staff augmentation is the use of temporary contracted personnel used to supplement the Council staff capacity. Through a competitive process (RFP), IS will conduct an IT staff augmentation procurement to address mid-term staffing needs. The IT staff RFP will resolve the need for the emergency declaration. In the long term, the Council will increase our efforts and expand our strategies to recruit permanent Council IT employees.

This emergency declaration involves multiple service providers are required due to the breadth and depth of staff augmentation needs. IS is partnering with Procurement and OEEO to prioritize MCUB vendors, to date about 1/5<sup>th</sup> of the estimated spend has been committed and the vast

majority of it has been with MCUBs.

### **Rationale**

The Metropolitan Council has delegated authority to the Regional Administrator to declare emergencies on behalf of the Council when the health, safety, or welfare of the public is compromised, or potentially compromised, and immediate action is required to address the emergency. The emergency declaration is then presented to the appropriate implementation committee for approval and placed on a following Council consent list for formal ratification.

### **Thrive Lens Analysis**

This action advances the Thrive Outcome of Stewardship. Public financial resources will be invested efficiently and effectively to restore critical Information Technology staff critical capacity needed to maintain and advance the operations of all the Council's divisions.

### **Funding**

The estimated cost for emergency staffing is \$3,999,999 and is funded with salary savings from vacancies in the Information Services department.

### **Small Business Inclusion**

Due to the time sensitive nature of the Emergency Declaration and Information Services immediate need for staff augmentation, the Office of Equity and Equal Opportunity will not be establishing a small business goal. The application of a goal would significantly impact the timing of this project. Information Services and OEEO have worked together to identify MCUB firms that can assist with this staff augmentation. In addition, OEEO will be reviewing the upcoming RFP for further opportunities for MCUB firms.

