

FY 2026-2027 BUDGET QUESTION

Response to Request for Information

DEPARTMENT(S): Austin Budget & Organizational Excellence;

CBQ NO.: 138

REQUESTED BY: (District 6) Krista Laine

DATE REQUESTED: Wednesday, July 29, 2026 1:08 PM

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REQUEST:

Please list the departments which are most heavily reliant on external consultant/contractor FTEs and provide an explanation for the cost benefit.

RESPONSE:

Department	Cost- Benefit Explanation
Austin Capital Delivery Services	Austin Capital Delivery Services (CDS) utilizes four specialized consultant/contractor staff to support cost engineering, estimating, risk management, and scheduling for the City's large capital projects. These resources provide critical project oversight, helping identify risks early, improve forecasting, and reduce the potential for cost overruns, delays, and scope growth. CDS plans to transition these functions to permanent City positions as appropriate classifications are established and recruitment occurs. In the interim, contractors provide continuity, specialized expertise, and knowledge transfer to City staff.
Austin Convention Center	Allied Universal provides part-time security coverage at the Palmer Events Center, Warehouse/Marshalling Yard, and parking garages to support large events and weekend or overnight needs. This flexible, short-term staffing model allows the organization to manage costs, maintain coverage during event-driven surges, and avoid adding year-round permanent positions that are not consistently required.

Austin Development Services	Austin Development Services (DSD) uses temporary staff and contractors in the Development Services and Austin Code funds to handle cyclical, unpredictable workloads. Temporary staffing and third-party review allow DSD to scale up during high permitting and inspection demand and scale down when activity slows, avoiding delays and unnecessary year-round FTE costs. The Austin Code fund uses contractors for demolition, cleanups, and abatement work that requires specialized, high-cost equipment and certified expertise. Contracting lets the department pay only per project, reduce liability and overhead, and recover some costs through liens when eligible.
Austin Energy	Austin Energy annually evaluates staffing needs to ensure the most cost-effective use of resources. Contract staffing is used when temporary capacity, flexibility, or specialized expertise is needed; however, positions supporting ongoing, mission-critical operations are evaluated for conversion to permanent FTEs when financially advantageous. The positions support critical IT and Call Center functions, including cybersecurity, technology infrastructure, system support, and customer service.
Austin Transportation and Public Works	Staff augmentation and consultant contracts are used when specialized expertise is needed, when workloads fluctuate, or when external deadlines require rapid capacity increases. City staff handle long-term programmatic and policy work, while contractors support specialized engineering, high-volume reviews, equipment-dependent field work, and short-term surges. Most units already have staff fully committed to core services, so consultant support is necessary to meet timelines and maintain service levels.
Austin Water	Austin Water uses IT, Facility Engineering, and Security staffing contracts to meet specialized or temporary needs. Contract staffing provides flexibility to adjust security coverage based on operational needs without maintaining equivalent permanent staffing. IT contracts provide expertise for networking, firewalls, GIS, and systems like AMANDA and Enterprise Case Management when in-house capacity is limited. Temporary staff augmentation supports Facility Engineering during the Walnut Creek WWTP Expansion and improves emergency contractor deployment through IDIQ contracts. Contracted security guards offer flexible, cost-effective coverage that adjusts to operational needs while maintaining required security levels.