



Recommendation for Action

File #: 19-3294, **Agenda Item #:** 31.

11/14/2019

Posting Language

Authorize an amendment to an existing contract with Capital Investing in Development & Employment of Adults, Inc. D/B/A Capital IDEA, for continued workforce development services, for an increase in the amount of \$838,000, for a revised contract amount not to exceed \$11,510,100.

(Note: The contract was awarded in compliance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. No subcontracting opportunities were identified; therefore, no goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Economic Development Department.

Fiscal Note

Funding in the amount of \$419,000 is available in the Fiscal Year 2019-2020 Operating Budget of the Economic Development Department. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

September 8, 2014 - Council approved Ordinance No. 20140908-001, item 1, on a 6-1 vote with Mayor Leffingwell voting nay.

November 20, 2014 - Council approved original contract award, item 70, on a 7-0 vote.

September 14, 2016 - Council approved Ordinance No. 20160914-001, item 1, on an 8-2 vote with Council Members Gallo and Zimmerman voting nay and Council Member Troxclair absent.

December 15, 2016 - Council approved contract amendment, item 13, on a 9-1 vote with Council Member Zimmerman voting nay.

August 9, 2018 - Council approved contract amendment, item 44, on a 10-1 vote with Council Member Troxclair voting nay.

September 11, 2018 - Council approved Ordinance No. 20180911-001, item 1, on a 7-4 vote, with Council Members Flannigan, Houston, Renteria and Troxclair voting nay.

June 6, 2019 - Council approved contract amendment, item 32, on an 8-0 vote.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>> or to Ricardo Zavala, at 512-974-2298 or Ricardo.zavala2@austintexas.gov <<mailto:Ricardo.zavala2@austintexas.gov>>.

Additional Backup Information:

The proposed amendment will allow for a \$419,000 increase to both the current extension option (Fiscal Year 2020) and the final optional extension option (Fiscal Year 2021) of the existing contract for continued workforce development services. This amendment follows Council's direction to utilize these funds to restore previous one-time funding dedicated to workforce development as well as additional funding added during the Council budget adoption for Fiscal Year 2019-2020.

This contract was increased by \$319,200 in Fiscal Year 2018 to offer an expanded capacity and have more clients serviced by the contractor. In Fiscal Year 2019, \$319,000 in one-time funding was authorized to allow for the continuation of that increased capacity to be funded.

This proposed amendment increase for Fiscal Year 2020 and Fiscal Year 2021 will provide for the continuation of funding for the \$319,000 needed to retain the previously increased capacity and clients served. Additionally, it will increase the amount by \$100,000 which is expected to allow for an additional 50 clients to be served each year, bringing the estimated number of clients served annually to 1,043.

These workforce development funds will be used to provide financial support and extensive professional guidance to motivated, non-traditional students. The activities supported by these funds will help most graduates triple their previous earnings after finishing their learning program and will provide access to higher education without debt. The funds will also help ensure closing in on the gap for workers in specific fields in the local employment landscape.

Performance measures captured for the contract include the following:

- Output Measures:
 - a) Number of unduplicated clients served through all funding sources.
 - b) Number of clients obtaining employment.
- Outcome Measures:
 - a) Percentage of participants seeking employment who obtain employment.
 - b) Percentage of clients that retain employment for a period specified by the City.
 - c) Percentage of clients who obtain employment at or above target wage levels as specified by the City.
 - d) Percentage of participants completing College Prep Academy.
 - e) Percentage of participants who remain in the program.

Contract Detail:

| <u>Contract Term</u> | <u>Length of Term</u> | <u>Current Contract Authorization</u> | <u>Requested Additional Authorization</u> | <u>Revised Total Authorization</u> |
|-----------------------------|---------------------------|---|---|--|
| Initial Term | 3 yrs. | \$ 4,691,950 | | \$ 4,691,950 |
| Extension 1 | 1 yr. | \$ 2,418,850 | | \$ 2,418,850 |
| Extension 2 | 1 yr. | \$ 1,780,650 | | \$ 1,780,650 |
| Proposed Contract Amendment | | | \$838,000 | \$ 638,000 |
| Optional Extension 3 | 1 yr. | \$ 1,780,650 | | \$ 1,780,650 |
| TOTALS | 6 yrs. | \$10,672,100 | \$838,000 | \$11,510,100 |

Note: Contract Authorization amounts are based on the City's estimated annual usage.