



Recommendation for Action

File #: 23-1761, **Agenda Item #:** 13.

5/18/2023

Posting Language

Authorize an amendment to a contract for early childhood and family support services with Worksource Greater Austin Area Workforce Board d/b/a Workforce Solutions Capital Area Workforce Board, to increase the amount by \$1,000,000 for a revised total contract amount not to exceed \$4,264,881.

[Note: This contract was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C (Minority Owned and Women Owned Business Enterprise Procurement Program). For the services required for this contract, there were no subcontracting opportunities; therefore, no subcontracting goals were established].

Lead Department

Financial Services Department.

Client Department(s)

Economic Development Department, Austin Public Health.

Fiscal Note

Funding in the amount of \$1,000,000 is available in the Fiscal Year 2022-2023 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:

March 24, 2022 - Council approved the original contract, item 44, on an 11-0 vote.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or [512-974-2500](mailto:FSDCentralProcurementRCAs@austintexas.gov).

Additional Backup Information:

The proposed amendment will provide increased authorization in response to Council direction to expeditiously deploy \$3,101,305 from ongoing general operating funds to support workforce development contracts that help ensure the closing of gaps for workers in high-demand fields.

The proposed increase will allow the City to provide additional funding for Premium Pay wage stipends for essential childcare workers to help stem the loss of childcare workers from licensed and registered childcare programs and combat worker retention challenges in the low-wage childcare services industry. Early childhood education is a vital economic sector but has recovered only 76% of jobs lost during the pandemic, compared to 100% of nonfarm jobs, and 103% of private sector jobs. Lack of qualified staff has caused 89% of childcare

providers in Travis County to report difficulty hiring in the past six months. Wage stipends will be focused on childcare workers who work in childcare programs that serve children receiving childcare scholarships (i.e., subsidies).

The City has an extensive history of working with Workforce Solutions Capital Area Workforce Board (WFS) in contracting workforce development and social service delivery, including the key wraparound support of childcare. WFS has been a partner in the Workforce Education Readiness Continuum for many years and holds an existing contract with Austin Public Health for those services.

If the contract authority is not increased, the burden of Austin’s high demand for affordable, quality childcare services will continue to increase as centers struggle to maintain adequate and qualified staffing.

Contract Detail:

Contract Term	Length of Term	Current Contract Authorization	Requested Additional Authorization	Revised Total Authorization
Initial Term	3 yrs.	\$3,264,881		\$3,264,881
Proposed Amendment			\$1,000,000	\$1,000,000
TOTAL	3 yrs.	\$3,264,881	\$1,000,000	\$4,264,881

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