



Recommendation for Action

File #: 23-2453, **Agenda Item #:** 23.

8/31/2023

Posting Language

Authorize negotiation and execution of a contract for business consulting services with McKinsey & Company, Inc. Washington D.C., for a term of six months in an amount not to exceed \$2,500,000.

[Note: This procurement 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 procurement there were no subcontracting opportunities; therefore, no subcontracting goals were established].

Lead Department

Financial Services Department.

Client Department(s)

Development Services Department.

Fiscal Note

Funding in the amount of \$416,667 is available in the Fiscal Year 2022-2023 Operating Budget of the Development Services Department. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Multiple cooperative purchase programs were reviewed for these services. The Financial Services Department has determined this contractor best meets the needs of the Development Services Department to provide the services required for the City.

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.

Additional Backup Information:

The contract will provide implementation of a program for process improvements and culture change management for departments involved in development processes including reviewing plans, issuing permits, and performing inspections to ensure compliance with safety, sustainability, and zoning regulations. The program will align the departments under a shared vision, increase productive collaboration, and build a culture of continuous improvement. This will modernize and develop efficiency between the 13 departments that participate in development processes.

This is a new contract. Requested authorization is based on the contractor's proposal and departmental estimates.

The Omnia Partners cooperative is a cooperative purchasing association recognized under Texas

procurement statutes. Cooperative associations, themselves or using a lead government, competitively solicit and award contracts that are eligible for use by other qualified state and local governments. Due to their substantial volumes, larger than any one government could achieve independently, cooperative contracts routinely include superior terms, conditions, and pricing. Use of cooperative contracts also results in lower administrative costs and time savings.

If a contract is not secured, implementation of the proposed improvements will be significantly delayed. Staff lack the available tools and resources to achieve the goals of this engagement without external assistance.