



City of Tacoma

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**Date:** April 30, 2018

**To:** Elizabeth Pauli, City Manager

**From:** Linda Stewart  
Director, Neighborhood & Community Services

**Subject:** Authorization of Direct Negotiation for Professional Services and Personal Services over \$25,000

For your review and recommendation.

In accordance with TMC 1.06.256 (B), Neighborhood and Community Services (NCS) department requests a waiver of the competitive solicitation process and authorization to directly negotiate with **South Sound Outreach Services, Tacoma, Washington**, for financial empowerment services for city of Tacoma residents 60 years and older (\$50,600.00), and (\$20,523.00) employer engagement activities to the Tacoma Training and Employment Program (TTEP), for an amount of \$71,123.00, total contract amount with increase will be \$402,999.00.

The City currently has a total of three contracts with South Sound Outreach for the 2017-18 Biennium, with a total commitment of \$510,632.00 for different services. With this commitment the City's total commitment will be \$581,755.00, plus applicable sales tax.

Direct negotiation approval constitutes a waiver of further competitive solicitation for amendments to the subject contract provided that any such amendment(s) shall be signed by personnel as authorized in the Delegation of Procurement Signature and Approval Authority memorandum. Contract totals shall not exceed \$200,000 without City Council or Public Utility Board approval as appropriate.

**EXPLANATION:** NCS seeks to provide financial empowerment workshops and case management to address financial needs, coordinate and teach classes on financial topics important to seniors, including fraud prevention, managing benefits budgeting, and helpful money habits after age 60. The program will be visible in places where seniors congregate. The program will form relationships with senior centers, AARP, Pierce County Aging & Disability Resources (ADRC), church groups, clinics, and hospitals with access to members of this population at risk of losing housing. The program will also partner closely with South Sound Outreach Statewide Health Insurance Benefits Advisors (SHIBA) staff and volunteers to align financial counseling with Medicare information, counseling, and enrollment opportunities.

Based on the 2016 Community Needs Assessment, City of Tacoma has more than 25,000 older adults aged 65 and older, of which 16.5% live in poverty (more than 4,000 individuals). NCS does not offer financial literacy services focused on senior financial needs and national trends indicate an increase in senior's living in poverty with poor health. This request aligns with Tacoma's Vision 2025 Priorities, Human & Social Needs: 1) Increasing housing security, 2) Improve services to vulnerable populations, and 3) Reduce poverty.

In addition to adding financial empowerment for seniors this request is to add employer engagement activities to the existing TTEP services. In July 12, 2016, the City Council passed Resolution No. 39492, confirming the City's commitment to provide for the development of a trained and capable



workforce, and changed the name of the Youth Building Tacoma program to the Tacoma Training and Employment Program (TTEP). TTEP's key components include employment readiness training, case management services, participant support services, participation in a pre-apprenticeship training program, job placement assistance, and third-party evaluation. TTEP's targets young adults ages 18-24, residing in the City of Tacoma and the retail service areas of Tacoma Public Utilities. TTEP's recruitment is focused on youth and residents of the Lincoln District and Community Empowerment Zone, women, minorities, those transitioning from dependence on public benefits, those with limited English speaking abilities, and young adults involved in other City-funded programs or initiatives. Adults over 24 years of age are also eligible for the program to maximize class space.

**JUSTIFICATION FOR DIRECT NEGOTIATION:**

1. Explain why it's in the best interest of the city to waive the competitive solicitation process.

Staff recommends amending the contract with South Sound Outreach Services as the most expedient approach to providing the services. A direct negotiation allows South Sound Outreach Services to provide high-quality financial coaching, resource navigation, and partner referrals to seniors living in the city, with the primary goal to prevent displacement due to rising rents and property taxes and employer engagement activities to the existing TTEP services.

2. Is this purchase based on a previous competitive solicitation conducted by the City or other agency? If yes, provide the contract information, specification number, etc., and explain the relationship of this request to the previous contract.

No

3. Describe the screening efforts made to identify potential service providers.

The Mayor has identified senior financial empowerment as a priority. Due to the short timeline that impedes the City's ability to quickly identify other potential service providers through a competitive bidding process, NCS's recommendation is to negotiate a direct contract with South Sound Outreach Services to ensure seniors receive services promptly. NCS also recommends to negotiate a direct contract for employer engagement which will promote equity for Tacoma residents by incorporating more women and people of color into government construction projects.

4. Describe the efforts made to assure that the City is receiving the lowest or best price possible.

NCS contracting staff followed the Standard Operation Procedures for contract negotiation for this contract. Staff requested a detailed cost estimate, timeline, and explanation of services provided for the senior financial empowerment.

**FUNDING:** Funds for this purchase are available in the General Fund (91200), (91300).

**SBE COMPLIANCE:** The Department/Division has checked the City of Tacoma Small Business Enterprise (SBE) website for opportunities to contract with SBE firms on NA. Choose an item.



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**PROJECT COORDINATOR:** Vicky McLaurin, Neighborhood and Community Services, 253 591 5058 (Senior Wellness) Christopher Wright, 253 591 5075 (Workforce Development).