



Legislation Text

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File #: 24-594, Version: 1

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**STRATEGIC PRIORITY:** Quality of Life, Arts & Culture  
**AGENDA DATE:** February 28, 2024  
**COUNCIL DISTRICT(S):** 7  
**DEPARTMENT:** Park & Recreation Department  
**EXECUTIVE:** John D. Jenkins

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**SUBJECT**

Authorize **(1)** Supplemental Agreement No. 1 to the Construction Manager at Risk Agreement with JE Dunn-Russell, a joint venture, to provide construction services for Part One of the Cotton Bowl Renovation, Rehabilitation and Addition Project located at 3750 The Midway in Fair Park ([which includes an owner's contingency of \\$1,541,553.00 and a Guaranteed Maximum Price of \\$51,385,067.00](#)); and **(2)** establish appropriations in an amount not to exceed \$31,426,620.00 in the 2024 Certificate of Obligation Fund - Not to exceed \$52,926,620.00, from \$145,000.00 to \$53,071,620.00 - Financing: 2024 Certificate of Obligation Fund (\$31,426,620.00) and Fair Park Revenue Bonds, Series 2023 Fund (\$21,500,000.00)

**BACKGROUND**

On October 4, 2023, a solicitation for Construction Manager at Risk Services for the Cotton Bowl Renovation, Rehabilitation and Addition Project was publicly advertised by the City of Dallas. On October 20, 2023, two statements of qualifications were received.

On October 23, 2023, a selection committee scored and ranked the statements of qualifications and on October 25, 2023, the Park & Recreation Department sent a request for proposals to the two highest ranking respondents. On November 3, 2023, two proposals were received and on November 6, 2023, the selection committee interviewed the two proposers and ranked the proposals. JE Dunn-Russell, a joint venture, received the highest ranking, making them the best value proposer of the two respondents as the result of a qualifications-based selection process in accordance with applicable law.

On December 13, 2023, the City of Dallas authorized a Construction Manager at Risk Agreement (CMAR Agreement) with JE Dunn-Russell, a joint venture, to provide the preconstruction and construction services for the Project with a preconstruction services fee in the amount of \$145,000.00 and a construction management services rate of two and ninety-five hundredths percent (2.95%) of the cost of construction within the total estimated project construction budget by Resolution No. 23-1688.

The Project has a total estimated construction budget of \$110,000,000.00 and will be constructed over two timeframes with Part One to be completed by August 1, 2024, and Part Two, with an estimated construction budget of \$54,000,000.00, to be completed by August 1, 2025.

This action will authorize Supplemental Agreement No. 1 to provide an increase to the CMAR Agreement with JE Dunn-Russell to provide construction services for Part One of the Project **with a Guaranteed Maximum Price**, in an amount not to exceed \$52,926,620.00 ([which includes an owner's contingency of \\$1,541,553.00 and a Guaranteed Maximum Price of \\$51,385,067.00](#)), increasing the agreement amount from \$145,000.00 to \$53,071,620.00.

### **ESTIMATED SCHEDULE OF PROJECT**

Began Design	May 2023
Complete Design	July 2024
Begin Construction of Phase 1	January 2024
Complete Construction of Phase 1	August 2024

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On August 10, 2022, subject to approval at a duly ordered special election, the City Council designated and authorized Venue Projects within the City of Dallas, as described, defined, and permitted by Chapter 334 to: (1) expand the Kay Bailey Hutchison Convention Center Dallas ("KBHCCD") and its vicinity, and undertake other related improvements, including related infrastructure, to enhance the KBHCCD and its vicinity; (2) improve Fair Park Facilities -- the Automotive Building, an exhibit hall; the Centennial Building, an exhibit hall; the Band Shell, a music hall; the Music Hall, a music hall; the Cotton Bowl, a stadium; the Coliseum, a stadium, and related infrastructure; as well as designated a method of financing authorized by Chapter 334 to finance the Venue Projects by Resolution No. 22-1136.

On November 21, 2022, the City Council received, approved, and adopted the report of the Ad Hoc City Council Canvassing Committee declaring that a majority of the votes cast at a duly ordered special election held on November 8, 2022 were in favor of Proposition A, on the question of approving and implementing a proposition: (1) designating the expansion of the Kay Bailey Hutchison Convention Center Dallas and certain improvements at Fair Park within the City of Dallas as venue projects and (2) designating the method of financing as an additional two percent hotel occupancy tax pursuant to Chapter 334, by Resolution No. 22-1720.

On December 14, 2022, the City Council authorized a resolution (1) making certain findings and determinations regarding the Convention Center Expansion Venue Project and the Fair Park Facilities Venue Project ("Venue Projects"); (2) creating and establishing among its various funds and accounts the Venue Projects Fund required by Texas Local Government Code Section 334.042; (3) directing the Chief Financial Officer to create all necessary accounts within the Venue Projects Fund; and (4) providing for the use of monies in the fund by Resolution No. 22-1817.

On December 14, 2022, the City Council authorized an ordinance amending Chapter 44, "Taxation," of the Dallas City Code, by amending Sections 44-48, 44-49, 44-50, and 44-52 to (1) provide for the imposition of an additional two percent hotel occupancy tax pursuant to Chapter 334 of the Texas Local Government Code and limiting its use to financing the Convention Center Expansion and Fair Park Facilities Venue Projects; (2) provide collection, reporting, payment, and recordkeeping requirements and procedures; (3) make certain non-substantive changes; and (4) provide an effective date by Resolution No. 22-1818.

On June 14, 2023, the City Council authorized a resolution authorizing the preparation of plans and the payment of potential future costs and expenses for the issuance of (1) Special Tax and Revenue Bonds (Convention Center Venue Project), Series 2023 in a principal amount not to exceed \$172,000,000; and (2) Special Tax Bonds (Fair Park Venue Project), Series 2023, in a principal amount not to exceed \$51,000,000 by Resolution No. 23-0769.

On December 13, 2023, the City Council authorized a Construction Manager at Risk Agreement (CMAR Agreement) with JE Dunn-Russell, a joint venture, to provide the preconstruction and construction services for the Project with a preconstruction services fee in the amount of \$145,000.00 and a construction management services rate of two and ninety-five hundredths percent (2.95%) of the cost of construction within the total estimated project construction budget by Resolution No. 23-1688.

**FISCAL INFORMATION**

Fund	FY 2024	FY 2025	Future Years
2024 Certificate of Obligation Fund	\$31,426,620.00	\$0.00	\$0.00
Fair Park Revenue Bonds, Series 2023 Fund	\$21,500,000.00	\$0.00	\$0.00
Total	\$52,926,620.00	\$0.00	\$0.00

Construction Manager at Risk Agreement	\$ 145,000.00
Supplemental Agreement No. 1 (this action)	<u>\$52,926,620.00</u>
Total Guaranteed Maximum Price	\$53,071,620.00

**M/WBE INFORMATION**

In accordance with the City’s Business Inclusion and Development Policy adopted on September 23, 2020, by Resolution No. 20-1430, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Procurement Category	M/WBE Goal
\$52,926,620.00	Construction	34.00%
M/WBE Subcontracting %	M/WBE Overall %	M/WBE Overall Participation \$
36.02%	36.02%	\$19,066,203.00
<ul style="list-style-type: none"> <li>• This contract exceeds the M/WBE goal.</li> <li>• JE Dunn - Russell, a joint venture - Local; Workforce - 0.45% Local</li> </ul>		

**OWNER**

**JE Dunn - Russell, a joint venture**

14951 North Dallas Pkwy.

Suite 700

Dallas, TX 75254

Mark McElroy, Managing Partner

**MAP**

Attached