



## Legislation Text

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**File #:** 24-703, **Version:** 1

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**STRATEGIC PRIORITY:** Government Performance & Financial Management

**AGENDA DATE:** February 28, 2024

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Jack Ireland

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### **SUBJECT**

Authorize a thirty-one month professional services contract in the amount of \$7,682,340, with a \$300,000 contingency for potential scope enhancement, and one one-year renewal option, as detailed in the Fiscal Information section, for project management services and owner's representation for the implementation of Component Three of the Kay Bailey Hutchison Convention Center Dallas master plan, which includes project management of the process for the renovation and reconstruction of Dallas Memorial Arena using either the Design-Build Bid or Construction Manager At-Risk Delivery Model - McKissack & McKissack of Washington, Inc., most highly qualified proposer of nine - Not to exceed \$7,982,340 - Financing: Convention Center Construction Fund (to include reimbursements from Brimer Bill Bonds) (subject to annual appropriations)

### **BACKGROUND**

This professional services contract will provide for project management services for the implementation of Component Three of the Kay Bailey Hutchison Convention Center Dallas (KBHCCD) master plan. The implementation of the KBHCCD master plan Component Three includes project management of the process to renovate and reconstruct Dallas Memorial Arena using either the Design-Build Bid or Construction Manager At-Risk Delivery Model, the delivery of which incorporates, but is not limited to:

- Assisting with the development of solicitations for architecture, engineering, design, and construction
- Developing and providing control processes for the project
- Outreach and communication
- Budgeting and cost tracking
- Project scheduling

This professional services contract will assist in delivering a state-of-the multi-purpose facility that is modern and efficient in terms of technological advancement and flexibility to meet current and future market demands. The project management leading to the final product will provide enhanced revenue opportunities, additional workforce opportunities, and the establishment of multi-purpose venue that will serve as an engaging destination that transforms downtown Dallas.

A five-member committee from the following departments reviewed and evaluated the qualifications:

- Department of Convention and Event Services (1)
- Department of Public Works (1)
- Department of Transportation (1)
- Office of Economic Development (1)
- Small Business Center Department (1)\*

\*The Small Business Center Department evaluated MWBE participation.

The committee selected the successful respondents on the basis of demonstrated competence and qualifications under the following criteria:

- Project understanding, methodology, and approach 40 points
- Experience and qualifications 35 points
- MWBE participation 15 points
- Local market experience 10 points

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The calculated living wage during the solicitation process of this contract is \$17.82; the selected vendor meets this requirement.

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

The Transportation and Infrastructure Committee was briefed on the KBHCCD Master Plan on December 8, 2020.

[The City Council was briefed by memorandum regarding the KBHCCD Master Plan on January 22, 2021. <https://dallascityhall.com/government/citymanager/Documents/FY%2020-21%20Memos/Kay%20Bailey%20Hutchison%20Convention%20Center%20Master%20Plan%20update%20-%20Memo\\_01222021.pdf>](https://dallascityhall.com/government/citymanager/Documents/FY%2020-21%20Memos/Kay%20Bailey%20Hutchison%20Convention%20Center%20Master%20Plan%20update%20-%20Memo_01222021.pdf)

[The City Council was briefed by memorandum regarding progress to-date on the KBHCCD Master Plan on August 13, 2021. <https://dallascityhall.com/government/citymanager/Documents/FY%2020-21%20Memos/KBHCCD%20Master%20Plan%20Contract%20Update\\_Memo\\_08132021.pdf>](https://dallascityhall.com/government/citymanager/Documents/FY%2020-21%20Memos/KBHCCD%20Master%20Plan%20Contract%20Update_Memo_08132021.pdf)

The Economic Development Committee was briefed on the KBHCCD Master Plan and the Project Financing Zone on October 4, 2021.

On October 13, 2021, the City Council authorized the designation of Project Financing Zone Number One, City of Dallas, Texas by Ordinance No. 32016, by Resolution No. 21-1650.

The Transportation and Infrastructure Committee was briefed regarding the KBHCCD Master Plan Alternative Recommendation and Requirements Pursuant to Texas Local Government Code Chapter 334 on December 7, 2021.

The Transportation and Infrastructure Committee was briefed on the “Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan Alternative Recommendation and Requirements Pursuant to Texas Local Government Code Chapter 334 on December 7, 2021.

[The Transportation and Infrastructure Committee was briefed by memorandum regarding an update on questions presented during the December 7, 2021 committee meeting on December 17, 2021. <https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan\\_Memo\\_12172021.pdf>](https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan_Memo_12172021.pdf)

[The City Council was briefed by memorandum regarding this matter on December 17, 2021. <https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan\\_Memo\\_12172021.pdf>](https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan_Memo_12172021.pdf)

The Transportation and Infrastructure Committee was briefed regarding the KBHCCD Master Plan Alternative Recommendation and Requirements Pursuant to Texas Local Government Code Chapter 334 on January 18, 2022.

[The City Council was updated by memorandum regarding questions presented during the January 18, 2022 Transportation and Infrastructure briefing on January 28, 2022. <https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan%20Update%20Memo%20-%20Follow-Up%20to%20TRNI%20Committee.pdf>](https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan%20Update%20Memo%20-%20Follow-Up%20to%20TRNI%20Committee.pdf)

[The City Council was briefed by memorandum regarding questions presented by a constituent regarding the KBHCCD Master Plan on January 28, 2022. <https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan%20Update%20-%20Additional%20Questions.pdf>](https://dallascityhall.com/government/citymanager/Documents/FY%2021-22%20Memos/KBHCCD%20Master%20Plan%20Update%20-%20Additional%20Questions.pdf)

The City Council was briefed on the KBHCCD Master Plan Alternative Recommendation and Requirements Pursuant to Texas Local Government Code Chapter 334” on February 2, 2022.

On February 9, 2022, the City Council authorized the adoption of the 3C west of Lamar alternative to implement KBHCCD Master Plan and the city manager to take the necessary steps to implement the 3C alternative by Resolution No. 22-0334.

On May 11, 2022, the City Council authorized providing advance planning and feasibility for the KBHCCD Master Plan by Resolution No. 22-0742.

On September 14, 2022, the City Council authorized a reimbursement agreement with Union Pacific Railroad Company for preliminary engineering services for the portion of the proposed expansion of the Kay Bailey Hutchison Convention Center that impacts Union Pacific Railroad's tracks, including improvements to infrastructure by Resolution No. 22-1348.

The Transportation & Infrastructure and Economic Development Committees were briefed about the KBHCCD Master Plan - Next Steps during a special called meeting on February 7, 2023.

The Transportation & Infrastructure and Economic Development Committees were updated by memorandum on February 24, 2023, related to questions presented during the special called meeting on February 7, 2023.

The Government Performance and Finance Committee was briefed about the KBHCCD Master Plan and Fair Park Improvements on May 22, 2023.

[The Government Performance and Finance Committee was briefed by memorandum on the KBHCCD Master Plan and Fair Park Improvements on June 13, 2023.](https://cityofdallas.legistar.com/View.ashx?M=F&ID=12081687&GUID=103AA241-23F2-4BE8-8FF9-F1CC38B0F3C0)  
<<https://cityofdallas.legistar.com/View.ashx?M=F&ID=12081687&GUID=103AA241-23F2-4BE8-8FF9-F1CC38B0F3C0>>

On June 14, 2023, the City Council authorized a resolution expressing official intent for the City to reimburse itself for costs and expenses incurred in connection with the Kay Bailey Hutchison Master Plan from obligations that will be issued after the expenditures by Resolution No. 23-0774.

The Government Performance and Finance Committee was briefed on the FY 2023-24 Debt Issuance Overview on October 23, 2023.

The Economic Development Committee was briefed about the Kay Bailey Hutchison Convention Center Dallas Master Plan - Convention Center Component on February 5, 2024.

**FISCAL INFORMATION**

Fund	FY 2024	FY 2025	Future Years
Convention Center Construction Fund	\$2,500,000.00	\$2,741,170.00	\$2,741,170.00

Initial Term:	\$7,682,340.00
Scope Change Contingency	\$ 300,000.00
Total	\$7,982,340.00

**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:

<b>Contract Amount</b>	<b>Procurement Category</b>	<b>M/WBE Goal</b>
\$7,982,340.00	Professional Services	38.00%
<b>M/WBE Subcontracting %</b>	<b>M/WBE Overall %</b>	<b>M/WBE Overall Participation \$</b>
51.11%	83.16%	\$6,638,293.00
<ul style="list-style-type: none"> <li>• This contract exceeds the M/WBE goal.</li> <li>• McKissack &amp; McKissack of Washington, Inc. - Local; Workforce - 0.00% Local</li> </ul>		

**PROCUREMENT INFORMATION**

Method of Evaluation for Award Type:

Request for Qualifications	<ul style="list-style-type: none"> <li>• Utilized for procurements involving professional services</li> <li>• Recommended offeror whose response is most qualified, considering the relative evaluation factors stated in the specifications</li> <li>• Always involves a team evaluation</li> <li>• Allows for negotiation on contract terms, including price</li> </ul>
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The Office of Procurement Services received the following proposals from solicitation number BBZ23-00021453. We opened them on April 28, 2023. We recommend the City Council award this service price agreement to the most advantageous proposer. In compliance with state law concerning professional services evaluation, cost was neither considered in the evaluation nor reflected in the scoring.

\*Denotes successful proposer

<b><u>Proposers</u></b>	<b><u>Address</u></b>	<b><u>Score</u></b>
*McKissack and McKissack of Washington, Inc.	901 K St. NW 6th Floor Washington, DC 20001	86.75
Dikita Enterprises, Inc.	1420 Mockingbird Ln. Suite 600 Dallas, TX 75247	80.25
Turner & Townsend	2100 McKinney Ave. Suite 700 Dallas, TX 75201	78.50
Inspire Dallas, LLC	1401 Botham Jean Blvd. Dallas, TX 75215	71.75
WSP USA, Inc.	One Penn Plz.	70.50

	New York, NY 10119	
KDC ACARI Clark JV LLC	8115 Preston Rd. Suite 700 Dallas, TX 75225	67.25
Arup Texas	77 Water St. New York, NY 10005	61.75
PSA Management, Inc.	2777 North Stemmons Frwy. Suite 1035 Dallas, TX 75207	43.75
The Preo Group, LLC	2301 Ohio Dr. Suite 285 Plano, TX 75093	28.25

**OWNER**

**McKissack & McKissack of Washington, Inc.**

Deryl McKissack, Chief Executive Officer  
Robert Stowe, Vice President