



Recommendation for Action

File #: 23-3326, **Agenda Item #:** 14.

11/9/2023

Posting Language

Authorize negotiation and execution of a contract for expert project management and technical services for the redevelopment of the Austin Convention Center, with Project Control of Texas, Inc., in an amount not to exceed \$30,000,000.

[Note: This contract will be awarded in compliance with City Code Chapter 2-9B (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 14.21% MBE and 4.70% WBE participation].

Lead Department

Financial Services Department.

Managing Department

Capital Delivery Services.

Fiscal Note

Funding is available in the Capital Budget of the Austin Convention Center Department.

Purchasing Language:

The Financial Services Department issued a Request for Qualifications (RFQS) 6100 CLMP356 for these services. The solicitation was issued on June 26, 2023, and closed on July 31, 2023. Of the three offers received, the recommended consultant submitted the best evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=139229)
<https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=139229>.

Prior Council Action:

June 5, 2021 - Council approved Construction Manager at Risk methodology, item 5, on a 11-0 vote.

October 19, 2023 - Council approved a contract for design, item 27 on a 9-0 vote.

October 19, 2023 - Council approved a contract for construction, item 28 on a 9-0 vote.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov
<<mailto:FSDCentralProcurementRCAs@austintexas.gov>> or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Additional Backup Information:

Expansion of the Austin Convention Center has been contemplated and studied for nearly a decade. In 2019, Council approved an increase in the municipal Hotel Occupancy Tax (HOT) rate from seven percent to nine

percent to fund the redevelopment and expansion of the Austin Convention Center. In June 2021, Council authorized use of the construction-manager-at-risk project delivery method and provided direction for the Austin Convention Center redevelopment project (Project) via adopted Council Resolution No. [20210610-096](https://services.austintexas.gov/edims/document.cfm?id=362545) [<https://services.austintexas.gov/edims/document.cfm?id=362545>](https://services.austintexas.gov/edims/document.cfm?id=362545), which states, in part, “The City Council seeks to work with the prime architecture firm capable of delivering a world class design befitting a city of Austin’s size and prominence.”

This project will enable the Austin Convention Center Department to carry out its central mission of providing outstanding facilities and services and will allow it to continue to thrive in a competitive business environment.

The full build out of the project will deliver over 360,000 square feet of exhibit space, 180,000 of meeting space, and 184,000 of ballroom or flex hall space. This will nearly double the amount of rental space the Austin Convention Center has to offer to the market. The project will retain current customers with growing events and attract additional business that will benefit the department as well as enhance the economic vitality of the City.

The six-block facility will be demolished in 2025 and the new, larger facility will reopen in 2029. The redevelopment and expansion project will significantly increase the rentable square footage of the Convention Center while shrinking the existing footprint, resulting in a more active and community-friendly event space in the heart of Downtown Austin. Funding for this project is provided through the Austin Convention Center’s allocation of the two percent expansion Hotel Occupancy Tax rate approved by Council in 2019 and the Austin Convention Center’s revenues.

The selected firm will work collaboratively with the project team providing project management, cost management, scope and change control, risk management, communication, reporting, regulatory compliance, schedule management, technical services, inspection services, and quality management for the successful delivery of the project. The recommended firm is the sole eligible respondent of three statements of qualifications received, two of which were deemed non-responsive.

A delay in approval of this item would result in a significant delay to work with the recommended design team to complete the construction in time to host a significant event scheduled for March 2029, and will substantially increase the cost of the Austin Convention Center redevelopment.

This project is located in District 9.