



MEMORANDUM

OCPPA Agenda
Item No. PPA.A.
7/19/2016

The City of OKLAHOMA CITY

TO: Chairman and Trustees of the Oklahoma City Public Property Authority

FROM: James D. Couch, City Manager/General Manager, OCPPA

Ratifying and approving Addendum No. 1; and Joint Resolution authorizing and directing staff to negotiate a Professional Services Agreement with SMG for pre-opening consultation, management and operation of Oklahoma City Downtown Convention Center.

Background

On April 19, 2016, the OCPPA (Item No. PPA.D.) and the City Council (Item No. VII.AC.) approved a Request for Proposals for services to be provided which included: 1) pre-opening consultation services needed to coordinate with City staff, architects, engineers and other parties to ensure appropriate functionality of the facility design, develop and recommend booking and other policies and procedures, appropriate staffing models, proposed operating and capital budgets, etc.; and 2) professional operation and management services including day-to-day operations in an efficient and high quality manner, maximize hotel room occupancy and local direct spending, marketing, catering and other services intended to maximize competitiveness for conventions, trade shows and other events that benefit the Oklahoma City economy, as well as sales and hotel tax revenues.

The RFP was advertised in the Journal Record and posted in the electronic bidding system. A non-mandatory pre-proposal conference call was held on April 27, 2016 with four potential proposers, City staff and Populous consultants in attendance. On May 16, 2016, Addendum No. 1 was issued through the electronic bidding system which provided a copy of the conceptual design presentation prepared by Populous GSB, Inc. for construction of the new convention center. The deadline for RFP submission was also extended to Thursday, May 19, 2016 at 4:00 p.m. to allow potential proposers time to review the conceptual design presentation document.

One proposal was received from SMG. Procurement Services inquired from the other potential proposers who were at attendance at the non-mandatory pre-proposal conference call why they did not submit a proposal with no responses received.

The RFP evaluation committee met on May 27, 2016 and agreed to interview the proposer to ensure all requirements of the RFP were met.

Interview questions were agreed upon by the committee prior to the meeting. On June 15, 2016, the RFP committee interviewed SMG which also included modules with the Oklahoma City Convention and Visitor's Bureau, ADG and Populous GSB, Inc. to ensure all aspects of the potential agreement had been considered. References were also contacted by staff that verified the proposer's ability to provide these services.

The City and OCPPA currently have agreements in place for management and operations of the Cox Convention Center arena and exhibit halls, as well as the Downtown Arena. These facilities are handled by SMG's Stadiums and Arenas Division. The new Downtown Convention Center creates the opportunity for Oklahoma City to advance significantly in the convention and trade show sector of the tourism economy, which requires unique and highly qualified skill sets for successful marketing and operations. Consequently, SMG proposes the new Downtown Convention Center would be managed separately using its Convention Center Division.

The selection committee voted and unanimously agreed that SMG met the requirements of the RFP and are recommending to the OCPPA and the City Council that a professional services agreement be negotiated for Pre-Opening Consultation, Management and Operation of Oklahoma City Downtown Convention Center.

Source of Funds OCPPA General Purpose - Arena/Convention Center Operations – Non-Departmental – Other Service and Charges (OCPPA-490-4560-9802000-52890001)

Review Finance Department

Recommendation: Addendum be ratified and approved and Resolution be adopted.