

Memorandum



CITY OF DALLAS

DATE January 11, 2019

Honorable Members of the Government Performance & Financial Management Committee:
TO Jennifer S. Gates (Chair), Scott Griggs (Vice Chair), Sandy Greyson, Lee M. Kleinman, Philip T. Kingston, Tennell Atkins, Kevin Felder

SUBJECT **Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Management Agreement**

At the January 7, 2019, Government Performance & Finance Management Committee meeting, members posed questions regarding the Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Management Agreement briefing and procurement process. This memo provides clarification regarding those inquiries.

1. A confidential copy of the management agreement between the City of Dallas and Global Spectrum, L.P. D/B/A Spectra Venue Management will be provided on Monday through the Office of Procurement. A copy of the cover memo is attached (without the contract).
2. What are the names of the evaluation committee members for the Management Company Request for Competitively Sealed Proposals (RFCSP)?
 - Rick Galceran – Director – Bond Office
 - Errick Thompson – Director – Building Services Department
 - Robin Bentley – Assistant Director – Office of Economic Development
 - Arturo Del Castillo – Chief Planner – Planning & Urban Design
 - David Fisher – Assistant Director – Office of Cultural Affairs
 - Juanita Ortiz – Assistant Director – Convention & Event Services
3. Can the management contract be amended to clarify Spectra Venue Management's minimum salary commitment of \$13.45 per hour for transitioning City employees?
 - Spectra Venue Management has provided a letter of agreement grandfathering current City employees at an hourly minimum of \$13.45.
 - The letter is included as a part of Spectra Venue Management's proposal as part of the contract.

If you have questions, please do not hesitate to contact me at 214.670.3009.

A handwritten signature in blue ink that reads "Joey Zapata".

Joey Zapata
Assistant City Manager

Attachment

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Carol Smith, City Auditor (Interim)
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge

Kimberly Bizer Tolbert, Chief of Staff to the City Manager
M. Elizabeth Reich, Chief Financial Officer
Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager & Chief of Resilience
Directors and Assistant Directors

Memorandum

DATE January 10, 2019

TO Honorable Mayor and Members of the City Council

SUBJECT Requested Disclosure of Confidential Information Relating to the Request for Competitive Sealed Proposals and Contract for Management of Kay Bailey Hutchison Convention Center Dallas BGZ1802



Pursuant to your request, attached is confidential information relating to RFCSP BGZ1802 and the negotiated management agreement.

The release of the attached information to you, in your official capacity, is not a release to the public for purposes of the Public Information Act (the "Act"). A city official, acting in his or her official capacity, is not a member of the public for purposes of access to information in the governmental body's possession. Please be aware, therefore, that some of the attached information is or may be confidential under the Act.

Please also be aware that you are required by the Act to keep the information confidential, and you are prohibited from releasing this information to the public. Additionally, please be aware that it is a criminal offense to distribute information considered confidential under the Act.

Section 252.049(b) of the Texas Local Government Code states that:

"If provided in a request for proposals, proposals shall be opened in a manner that avoids disclosure of the contents to competing offerors and keeps the proposals secret during negotiations. All proposals are open for public inspection after the contract is awarded, but trade secrets and confidential information in the proposals are not open for public inspection."

In accordance with Texas law, you may not release or disclose the attached materials to any other person or entity until a contract is approved by the City Council, executed by the City Manager, and filed with the City Secretary's Office. At that time, the Act will still apply to any confidential information in the materials.

If you have any questions concerning this matter, please contact me at 214.671.5003.



Michael Doss
Assistant City Attorney
Attachment



DAVE ANDERSON

Senior Vice President, Spectra Venue Management

650 Okeechobee Blvd., West Palm Beach, FL 33401

O: 561.366.3006 M: 561.313.0144 Dave_Anderson@comcastspectacor.com

January 11, 2019

John Kohut
City of Dallas, Procurement Services
1500 Marilla St.
Room 3F North
Dallas, Texas 75201

Mr. Kohut,

On behalf of Spectra, we are thrilled about the opportunity to partner with the City of Dallas to manage the Kay Bailey Hutchison Convention Center. We are dedicated to the long-term success by driving more events, increasing marketing and sales efforts, and implementing robust customer service initiatives.

In addition, we are committed to dedicating all necessary corporate resources to ensure a seamless transition. We put employees first when implementing transitions. Through our negotiations with City staff, we have agreed to pay all employees working under the agreement at least the City's current Living Wage of \$11.15 per hour. We understand that the lowest compensated employee is currently earning \$13.45 per hour. We are writing this letter to commit that notwithstanding the City's Living Wage Rate, no current transitioning employee at the Kay Bailey Hutchison Convention Center will be paid a lower hourly rate than what they currently earn.

If you have any additional questions or concerns, we are more than happy to address them at the appropriate time. Thank you, and we look forward to a successful long-term partnership!

Sincerely,

A handwritten signature in black ink, appearing to read "DAVE ANDERSON", with a long horizontal line extending to the right.

Dave Anderson
Senior Vice President-Spectra Convention Centers