



CITY OF
NORTH DAKOTA

Request for Proposals (RFP)

Market Analysis and Feasibility Study for an Event Center in Dickinson, ND

Proposals due 1:00 p.m. MST on March 12, 2019

The City of Dickinson, North Dakota is seeking the services of a qualified consulting firm (or team of firms) to prepare a Market Analysis and Financial Feasibility Study for an events center. This Request for Proposals (RFP) describes the study background, proposed scope of services, schedule, and submission requirements. As detailed later in this RFP, all proposals must be submitted to the City of Dickinson City Administrator's office no later than 1:00 p.m., Tuesday, March 12, 2019.

1. Introduction and Study Background

Study Location

The City of Dickinson is located in the center of Stark County in western North Dakota. While Dickinson is a relatively small city at a population of around 25,000, it serves as the cultural, medical, educational and economic hub of an affluent seven county region with over 50,000 residents.

Much of Stark County's population lives in Dickinson, and conduct their business and enjoy cultural offerings in Dickinson. The city has excellent access to the many amenities for which western North Dakota is famous, including state parks, Theodore Roosevelt National Park, golf, fishing, and museums. While the local economy is diverse, it is known as an oil hub city and manufacturing center, and frequently is mentioned in national publications as a high performing city. Notable recent national awards include the 2017 6th Best Place to Live, Money magazine, 2018 9th Best Place to Start a Career, Money magazine and 2013 "Best Small Town" award by Livability.com.

The nearest population centers are Bismarck, ND positioned 100 miles east along Interstate 94, and Williston, ND 130 miles north on State Highway 85. Dickinson and Stark County is served by the Theodore Roosevelt Regional Airport and is a 90-minute drive from the Bismarck Municipal Airport.

Event Center Overview

A number of venues currently serves the Dickinson community's events facility needs. The City of Dickinson owns and operates some facilities. There are no hotels of regional or national affiliation in the downtown core but the Convention and Visitors Bureau website lists the following nationally affiliated hotels within the city limits of Dickinson including: AmericInn, Candlewood Suites, Comfort Inn, Hampton Inn, Hawthorn Suites, Holiday Inn Express, La Quinta Inn & Suites, Microtel Inn & Suites, Motel 6, My Place, Quality Inn & Suites, Ramada Grand Dakota, Red Roof Inn & Suites, Rodeway Inn, TownePlace Suites by Marriott, Travel Inn and Woodspring Suites. Special events facilities include the Biesiot Activities Center. This facility is

located on the Dickinson State University campus and serves as the football and outdoor stadium for the university and two local high schools. The main concourse doubles as a meeting venue and can hold approximately 150 people. The Dickinson Public Library has a community room that can host small meetings of up to 120 people. The West River Community Center (WRCC) also has a community room that can be divided into two smaller rooms. Capacity in the two rooms combined total around 50. The Dickinson Retreat Center is another meeting venue that can hold approximately 50 people. The recently constructed Veteran's Pavilion can host meetings up to 100 people and is owned by the city of Dickinson but operated by the Dickinson Park Board. There are two local hotels that have Events space, Ramada Grand Dakota and Astoria. The Grand Dakota has 14,118 square feet of event space and 11 meeting rooms and can accommodate 960 conference attendees or 500 banquet guests. The Astoria has 15,500 square feet of event and meeting room space. In addition to these two hotels are 20 others in the city of Dickinson, several of which have a meeting room that can accommodate small group.

Dickinson State University (DSU) is a liberal arts university with approximately 1,500 students. It is located in near the urban core of Dickinson and has meeting rooms and performance space on campus. Dorothy Stickney Auditorium is the largest meeting/performance space and can hold 735 people. The DSU Student Center also has meeting rooms available for public use.

The West River Ice Center is located on the campus of the WRCC and is home to the Dickinson High School hockey program and Dickinson Hockey Club. These activities dominate the facilities use in the winter months. In the off-season, this facility hosts trade shows, sport shows, circuses, concerts, etc. There are two connected buildings. The main building is 29,592 square feet with a seating capacity of 1,000. The newly constructed space is 21,600 square feet with a seating capacity of 300.

The largest indoor event space in Dickinson is the Trinity High School gym with a seating capacity around 2,500. This space is primarily used for the catholic high school events and indoor sporting events such as basketball and volleyball. The public can use the space but use must be compliant with the school's charter. The Dickinson Armory also provides indoor recreation space. This aging facility is used primarily by the North Dakota National Guard. Dickinson Park and Recreation does use the facility for some programming, primarily in the winter months. The space is limited to one regulation sized basketball court with little to no spectator seating. The Dickinson Public Schools also has several gymnasiums in a variety of school settings. The new middle school has 19,548 square feet of gymnasium space with less than 1,250 fixed bleacher seats. The high school has square feet of gymnasium space and fixed seats.

Recent Efforts

The City has never engaged in a study of the potential feasibility or benefits of an event center/civic center, but other community efforts may prove enlightening. Most notably, the construction of the West River Community Center (WRCC). The WRCC was constructed 12 years ago and expanded in 2014. The facility total cost of around \$33 million included rather significant private fundraising. This building was controversial when originally conceived. Its original construction required the passage of a sales tax and associated bonding. Since the facility has opened public participation/membership has far exceeded the original estimates. The facility has been very successful and served as a model for other similar facilities built in neighboring communities.

Dickinson residents and businesses have a history of supporting major construction projects, both public and private, including the Biesiot Activities Center (BAC), Trinity High School and the newly constructed CHI/St. Alexius hospital/clinic. The Dickinson Public School system recently

constructed a \$60 million middle school with a bond referendum that received over 75% majority vote.

If an Event Center is to become a reality it must first garner the support of the community. Architectural compatibility may play an important role in that effort. Secondly, it must be based on a sound, practical analysis of market conditions and a realistic projection of what such a facility could contribute to the local economy and at what cost.

Dickinson 2035 Comprehensive Plan

In 2013, the City Commission adopted a Comprehensive Plan for the City of Dickinson to guide decision-making, growth and development over the next 20 years. That plan does not specifically call for the establishment of an event center, but it does define several goals that would be supported by the establishment of a successful event center. Chapter Four outlines objectives calling for ongoing support of downtown businesses and investments in infrastructure that support the downtown core. Chapter Eight discusses land use and development. It identifies major land areas around the downtown core as priority infill areas. This chapter calls for developing a 24-hour environment around the downtown core, which enhances opportunities for retail and cultural development. A number of other objectives stated in the comprehensive plan are consistent with an effort to establish an Events space.

2. Scope of Work

Phase I Tasks

Events Center Market Validation- Evaluate the market viability of a new Events center in Dickinson to serve Dickinson, Stark County, and western North Dakota. As part of this objective, provide a thorough overview of competing facilities, their viability and the impact of a facility in Dickinson entering the market.

- A. Provide a summary of other facilities in the market, including their capacity, their utilization rate, and general information about their operating budget.
- B. Estimate the approximate number of events per year for a Dickinson Events center by event type (e.g., Events, trade shows or exhibitions, business meetings, banquets/social events, concerts, sporting events, etc.)
- C. Project the probable annual attendance figures for the Events center by event type, and indicate marketing and operational approaches for maximizing attendance and facility usage.
- D. Based upon the market validation analysis, recommend the approximate initial size by type of space (Meeting room, event space, support space) of a new Events center and the estimated attendance figures for each of the different event profiles that may be hosted by the facility.
- E. Identify and evaluate three to five potential sites for the Event center construction. The evaluation of each site should include a review and summary of existing infrastructure capabilities to serve the facility, transportation networks and flow of traffic into and out of site, adjacent supporting facilities, and potential for development resulting from the event center construction. The potential for locating the Event center near existing facilities should also be explored to determine if synergy can be created and/or capital costs lowered.

F. Assuming a facility is constructed that follows the recommendations put forth in items B through E, provide a summary of the potential impact an events center in Dickinson might have on other local facilities. It will be vital to understand if success for a new Events center would come at the expense of nearby facilities, or whether the facility could be designed in such a way as to complement other local facilities and grow the overall events market.

Support Facilities

- A. Assuming a facility is constructed that follows the recommendations put forth in section 1, provide comments as to the adequacy or shortage of nearby complementary facilities, such as parking and hotel space.
- B. If existing facilities are deemed inadequate, present recommendations for attracting or constructing necessary support facilities to adequately support the effective operation of the Events center.

Phase II Tasks

The successful respondent will be asked to complete the following tasks only if the results of the Phase I study tasks indicate that market demand exists for an Events center in Dickinson. The City will have sole discretion as to whether or not to proceed with Phase II of the study after the City Commission has reviewed the Phase I results.

Capital Construction Analysis

- A. Based upon a project scope as called for in the market validation analysis, provide a general estimate of capital construction, site related property acquisition, and land preparation costs associated with construction costs for a facility of this nature. The City understands any such estimate is very preliminary in nature and likely based on general data such as total square footage. A basic estimate will suffice for the purposes of this analysis.
- B. Project annual (each year over 20 years) ongoing revenue sources that may be available to pay for the initial capital cost of the Events center.
- C. Based upon the market validation analysis, separately project initial, one-time revenue sources that may be available for the initial capital cost of a new Events center.
- D. Prepare a sources and uses statement that incorporates the revenue and bond proceeds and a detailed uses of funds.

Operating Analysis

- A. Based upon the market validation analysis, separately project annual (each year over 20 years) facility-related operating revenues for a new Events center.
- B. Based upon the market validation analysis, separately project annual (each year over 20 years) on-going operating expenditures for a new Events center.
- C. Prepare a net operating income statement (by year over 20 years) that incorporates the operating revenues and expenditures to arrive at a projected surplus or loss that will require a subsidy.

3. Study Schedule

Initiation of the study is anticipated to occur by May 1, 2019. Preliminary findings should be submitted to the City by July 10, 2019. A final study product is to be provided to the City by no later than September 10, 2019 unless the city amends these dates.

4. Submittal Procedures

Budget and Cost Submittals

Proposed fees for services outlined on the RFP must be submitted in a separate sealed envelope within the submittal package. The total project budget should be broken down into Phase I costs and Phase II costs. The envelope must be clearly marked with the firm's name and project title. The proposals will be initially reviewed without consideration to the fee.

Each submittal must include twelve (12) printed spiral bound copies of your proposal and one (1) electronic version using software the city currently has access to. They must be received in the offices of the City Administrator no later than 1:00 p.m. MST on Tuesday, March 12, 2019.

Proposals should be addressed as follows:

City of Dickinson

99 2nd Street E

Dickinson, ND 58601

ATTN: City Administrator

Mark the outside of the submittals with the titles, "Dickinson Market Analysis and Feasibility Study for an Event Center Scope of Work Proposal" and "Dickinson Event Center RFP Fee Proposal."

All proposals at a minimum must provide the following:

- Firm(s) name, address(s) and telephone number(s)
- Names of key personnel who will work on the project, experience of each, and length of service with the firm(s)
- List of completed or ongoing projects of a similar nature for which the key personnel were the principal professional or served on the project team ●
- Willingness and capability to meet the time requirements
- List of similar projects or experience
- Statement of Understanding of the Study's Intent and Related Issues
- Total proposed consultant budget (i.e., fee) by major task and firm with costs broken down by staff, materials, and others study expenses.

Questions or other inquiries regarding this Request-for-Proposals (RFP) should be directed to Joe Gaa, City Administrator at: joe.gaa@dickinsongov.com or (701) 456-7744.

5. Consultant Selection Criteria and Awarding of Contract

1) Selection Criteria

Consultant proposals will be evaluated using the following criteria as a measure of the respondents' ability to successfully complete the project scope of work. Though important, cost will not be the sole basis for selection, since it is in the City's best interest to retain a team that has significant professional credentials. The City reserves the right to accept, reject, or negotiate any or all proposals, including the right to award the contract in whole or in part if it is deemed in the City's best interest. A committee using the following evaluation criteria will assess the merit of each submittal: A. Experience and Qualifications as evidenced by:

1. Company background and history
2. Relevant experience with other projects by individuals
3. Client references (recent and long-term)

B. Strength of the proposed Project Team as evidenced by:

1. Appropriateness of management personnel and technical staff proposed.
2. Organizational approach to project management including workflow, reporting and quality assurance procedures

C. Quality of the proposed approach to the scope of work as evidenced by:

1. Understanding and discussion of technical issues
2. Methodology and technical plan of operations
3. Project management plan and quality assurance procedures
4. Innovation and thoughtfulness in work approach

D. Ability to successfully complete the project as evidenced by:

1. Understanding of task sequencing and major milestone events
2. Adequacy of resources
3. Ability to complete work on a timely basis and meet deadlines
4. Efficiency in use of available study resources

E. Response Characteristics

1. Adherence to the required format
2. Completeness of submittal
3. Proposal cost
4. Cost Breakdown by Phase

2) Contract Negotiation

Upon completion of the evaluation process, the City of Dickinson will enter into negotiations with the responder(s) whose proposal offers the best solution and best value possible, as determined in the evaluation process. The City of Dickinson reserves the right to simultaneously negotiate with more than one responder or to ask for best and final proposals from one or more responders. The City reserves the right to reject any or all proposals submitted in response to this RFP. The award will be made to a qualified Consultant whose proposal is deemed to be in the best interest of the City of Dickinson.

6. Indemnification

Contractor agrees to defend, indemnify, and hold harmless the City, its agencies, officers and employees (City), from and against claims based on the vicarious liability of the City or its agents, but not against claims based on the City's contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. This obligation to defend, indemnify, and hold harmless does not extend to professional liability claims arising from professional errors and omissions. The legal defense provided by Contractor to the City under this provision must be free of any conflicts of interest, even if retention of separate legal counsel for the City is necessary. Contractor also agrees to reimburse the City for all costs, expenses and attorneys' fees incurred if the City prevails in an action against Contractor in establishing and litigating the indemnification coverage provided herein. This obligation shall continue after the termination of this agreement.

7. Insurance Requirements

Contractor shall secure and keep in force during the term of this agreement and Contractor shall require all subcontractors, prior to commencement of an agreement between Contractor and the subcontractor, to secure and keep in force during the term of this agreement, from insurance companies, government self-insurance pools or government self-retention funds, authorized to do business in North Dakota, the following insurance coverages:

- 1) Commercial general liability, including premises or operations, contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$1,000,000 per occurrence.
- 2) Automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
- 3) Workers compensation coverage meeting all statutory requirements. The policy shall provide coverage for all states of operation that apply to the performance of this contract.
- 4) Employer's liability or "stop gap" insurance of not less than \$1,000,000 as an endorsement on the workers compensation or commercial general liability insurance.
- 5) Professional errors and omissions with minimum limits of \$1,000,000 per claim and in the aggregate, Contractor shall continuously maintain such coverage during the contact period and for three years thereafter. In the event of a change or cancellation of coverage, Contractor shall purchase an extended reporting period to meet the time periods required in this section.

The insurance coverages listed above must meet the following additional requirements:

- 1) Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor.
- 2) This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. Less than an "A-" rating must be approved by the City.
- 3) The duty to defend, indemnify, and hold harmless the City under this agreement shall not be limited by the insurance required in this agreement.

4) A "Waiver of Subrogation" waiving any right to recovery the insurance company may have against the City.

5) The Contractor shall furnish a certificate of insurance to the undersigned City representative prior to commencement of this agreement. All endorsements shall be provided as soon as practicable.

8. Additional Terms and Conditions

1) The City of Dickinson reserves the right to amend the request for proposals at any time.

2) The City of Dickinson reserves the right to determine the successful respondent.

3) The City of Dickinson reserves the right to reject any or all proposals.

4) If for any reason the selected firm is not able to commence services within 30 days after the award of the proposal, the City of Dickinson reserves the right to award the contract to another qualified consulting firm.

5) Expenses incurred in the preparation of submittals, presentations and other incidental activities related to this solicitation are solely the responsibility of the respondent.

6) All data, documents and other information provided to the City of Dickinson by the Consultant because of this RFP shall become property of the City of Dickinson.

7) The City of Dickinson expects the Consultant to respond to routine questions, which do not require considerable research on a complementary basis.

8) The City of Dickinson will not reimburse the Consultant for expenses beyond the cost figures agreed to by the Consultant and the City of Dickinson. The only exception would be an amendment to the contract as a result of a substantial and approved change in the scope of work, as directed by the City of Dickinson, or for extra copies of plans or extra meetings.

9) The Consultant shall at no time pursue additional compensation for work not previously agreed to in writing by the City of Dickinson through a contract amendment. It is the obligation of the Consultant to identify items of additional work and to submit a written request with a cost proposal prior to the performance of any additional work.

10) The Consultant shall not engage any subcontractor not identified in the original proposal without prior approval of the City of Dickinson.

11) The consulting firm shall not assign any interest in this proposal and shall not transfer any interest in the same without the prior written consent of the City of Dickinson.

12) For the purposes of this agreement, the Consultant shall be deemed to be an independent contractor and not an employee of the City of Dickinson.

13) No official or employee of the City of Dickinson who exercises any responsibilities in the review, approval or carrying out the proposal shall participate in any decision which affects his or her direct or indirect personal or financial interest.

14) A schedule of payments to the Consultant will be negotiated with the successful respondent, and will be tied to completion of various stages in the scope of work. Ten

percent (10%) of the total contract price will be withheld until the Dickinson City Commission receives a final report from the Consultant.

15) The administrative contact for contractual matters will be the City Administrator.