

TFC Contract No. 17-071-000
Alvarez & Marsal Public Sector Services, LLC
Assignment No. 1

**CONSULTANT AGREEMENT
BETWEEN
THE TEXAS FACILITIES COMMISSION AND
ALVAREZ & MARSAL PUBLIC SECTOR SERVICES, LLC
TFC CONTRACT NO. 17-071-000**

ASSIGNMENT NO. 1

THIS ASSIGNMENT NO. 1 (hereinafter referred to as the “Assignment No. 1” or “Assignment”) is entered into by and between the Texas Facilities Commission, located at 1711 San Jacinto Boulevard, Austin, Texas 78701 (hereinafter referred to as “TFC”) and Alvarez & Marsal Public Sector Services, LLC, located at 655 15th Street NW, Suite 600, Washington, DC 20005 (hereinafter referred to as “Consultant”) (TFC and Consultant are hereinafter referred to individually as a “Party” or collectively as “Parties”), to be effective on the Effective Date (as defined below) and the terms and conditions of which are as follows.

DESCRIPTION OF PROJECT: The project for which Consultant agrees to provide Professional Services is generally described as follows: under the direction of the TFC Center of Alternative Finance and Procurement provide financial advisory services to the City of Austin (“COA”) to assist in implementing the COA’s public-private partnership social infrastructure project as detailed in “Exhibit A-1,” Consultant’s Proposal dated November 18, 2019 (hereinafter referred to as the “Project”). “Exhibit A-1,” is attached hereto and incorporated herein for all purposes and consists of four (4) pages.

DURATION OF ASSIGNMENT: The scope of services of this Assignment No. 1 shall be completed no later than December 31, 2022, unless terminated earlier as provided in Section 2.02 of the Agreement. The schedule is subject to adjustments for possible time extension; however, any extension of time must be approved by the TFC and shall require an amendment to Assignment No. 1.

SPECIAL TERMS AND CONDITIONS OF ASSIGNMENT: Terms and conditions shall be in accordance with the Agreement, any Special Conditions, and with this Assignment No. 1.

SUBCONTRACTORS TO BE UTILIZED FOR PROJECT: Consultant shall perform the services under this Assignment No. 1 with its own forces unless otherwise specified. If the scope of services is less than \$100,000.00, a HUB Subcontracting Plan (HSP) is not required. If the scope of services will exceed \$100,000.00, Consultant shall submit an HSP for approval pursuant to Section 10.03 of the Agreement.

FEE FOR BASIC SERVICES: Fee for the services set forth in this Assignment No. 1 shall not exceed One Hundred Fifty-Eight Thousand Seven Hundred Twenty and No/100 Dollars (\$158,720.00). No more frequently than once per month, Consultant shall submit an invoice to TFC for services performed and reasonable and necessary costs and expenses incurred through the last day of the previous month. Any reimbursable expenses, if allowed, shall be in accordance with Section 3.01 of the Agreement.

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IDENTIFICATION OF CONSULTANT PROJECT MANAGER AND ALL SUBCONTRACTORS: For this Assignment No. 1, Consultant shall identify the Project Manager, Consultant’s employees and all subcontractors assigned to this project on the List of Project Manager and Subcontractors (hereinafter referred to as the “List”), attached hereto and incorporated herein for all purposes as “Exhibit B-1.”

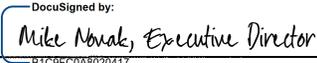
TFC reserves the right to approve the appointment of the Consultant Project Manager and to demand that the Project Manager, and any of Consultant’s employees or subcontractors, be removed and replaced if, in the sole opinion of TFC, their performance on this project or any other projects, is and/or was inadequate or their continued involvement with the Project is, will, or has become detrimental to the timely and successful completion of the project.

The Project Manager and Subcontractors identified in the List shall not be replaced by Consultant, nor shall any other subcontractors be engaged by Consultant, unless prior written consent is obtained from TFC, which consent shall not be unreasonably withheld, conditioned, or delayed.

ENTIRE AGREEMENT AND MODIFICATION: The Agreement and this Assignment and their integrated attachment(s) constitute the entire agreement of the Parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Assignment specifically displays a mutual intent to amend a particular part of this Assignment, general conflicts in language between any such attachment and this Assignment shall be construed consistently with the terms of this Assignment. Unless otherwise expressly authorized by the terms of this Assignment, no modification, renewal, extension, or amendment to this Assignment shall be binding upon the Parties unless the same is in writing and signed by the respective Parties hereto.

TEXAS FACILITIES COMMISSION

ALVAREZ & MARSAL PUBLIC SECTOR SERVICES, LLC

By: 
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By: 
904B5BD1CD06481...

Mike Novak

Jay Brown, CCIM, PMP

Executive Director

Managing Director

Date of Execution: 08/30/2020 | 9:11 AM GMT

Date of Execution: 08/30/2020 | 5:21 AM PDT

Dir 

GC 

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EXHIBIT A-1

CONSULTANT'S ASSIGNMENT NO. 1 PROPOSAL

DATED NOVEMBER 18, 2019



Alvarez & Marsal
Public Sector Services, LLC
Washington Center
655 15h Street, NW Suite 600
Washington, DC 20005
Phone: +1 202 729-2100
Fax: +1 202 729-2101

Alvarez & Marsal Scope of Work

November 18, 2019

Bond for Creative Space Procurement, Submittal Evaluation, and Selection Recommendation

Alvarez & Marsal (A&M) will assist the City of Austin with the development and implementation of a competitive process to solicit, evaluate, and select an entity offering the best value to the City for operation of a cultural and creative arts and music facility at a property that will be purchased and/or renovated.

A comprehensive request for proposed offers package will be developed by A&M, who will provide technical advisory, quality control and quality assurance for the information assembled for a two-step process consisting of: Step 1: Request for Information; and Step 2: Proposal for Operation. A site selection led by the City's broker will take place concurrently with A&M's search for an operator.

All tasks will be developed and coordinated with, and approved by, the Purchasing Office and Economic Development Department. The development of a fair, transparent and timely transaction is the joint responsibility of A&M and the City's real estate broker and will consist of the following tasks:

TASK 1. Project Delivery Planning

Meet with City Staff, Arts and Music Commission, and Real Estate Broker to define project goals, preferred facility types, project schedule, and roles and responsibilities.

Review proposed delivery method and provide an assessment of strengths, weaknesses, and recommended adjustments, including providing recommendations regarding the proposed property acquisition and operator selection process.

Develop site selection criteria for use by the City's real estate broker, which accounts for preferences identified in initial outreach, operator RFI Responses, and other locational factors, such as accessibility, nearby amenities, and the potential for catalytic development impacts.

DELIVERABLES FOR Task 1:

- Assessment of and recommendations for proposed delivery model
- Site selection criteria for use by broker



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TASK 2: Request for Information Process

Develop Request for Information (RFI) for distribution to potential facility and programmatic operators. The RFI is intended to focus market interest in the project; gauge operators' level of interest in different types of facilities and assess potential City-Operator business terms.

During this process, A&M will review and analyze responses; brief the City on findings; and recommend an RFP process informed by the RFI responses.

Throughout the RFI process, A&M will coordinate with the City's Real Estate Broker as they conduct a search for viable acquisition sites through weekly coordination calls.

DELIVERABLES FOR Task 2:

- RFI Package - The package will include all elements for market participants to properly respond, including initial City requirements and key business terms. A&M will work closely with City Staff including Legal, Purchasing, and Economic Development, as well as other City project consultants.
- Summary findings for Step 1 review – A&M will submit a summary documenting the comments, recommendations, and requests submitted to the Purchasing Office in response the RFI.

TASK 3. Qualified Management Services Request for Proposals Package Development

Coordinate with City Staff to develop the operator selection schedule and criteria.

Review a Qualified Management Services Request for Proposals package and documentation to include all required programmatic, financial, schedule and cost information to be submitted in response to the RFP.

Coordinate with the City on standard solicitation-related documents and other attachments, and requirements for the release.

Support presentation of the package to the City for input and approval.

DELIVERABLES FOR Task 3:

- Request for Proposal Package – The package will include all elements for proposers to properly respond to the City's offer in sufficient detail to enable evaluation and selection. A&M will work closely with City Staff including Legal, Purchasing, and Economic Development, as well as other project consultants.



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TASK 4. Pre-Proposal Support

Support drafting of responses to questions during the RFP phase and review any resulting addenda to be issued.

Prepare the response evaluation framework, to include the selection criteria and the scoring system to be utilized during the evaluation process.

Support pre-submittal conference by drafting a presentation and agenda, and coordinating logistics with City staff.

Develop scoring sheets and evaluation templates to be used by the operator selection team as well as coordinate, prepare and facilitate evaluation team preparation meetings. The Purchasing Office will accept submissions and perform a completeness check on all responses.

DELIVERABLES FOR Task 4:

- Responses to Bidder Questions – A&M will support the Purchasing Office responding to bidder questions as they are received.
- Pre-submittal conference presentation and agenda.
- RFP Addenda– A&M will coordinate with City Staff including Legal, Purchasing and Economic Development to determine if any addenda are required after the pre-submittal conference and bidder questions. If required, A&M will prepare the required documents for review and issuance by City Staff.
- Evaluation scoring sheets and templates - Templates and scoring sheets will be developed to ensure a consistent methodology is implemented for the evaluation of all teams and offers submitted.

TASK 5. Response Submittal Evaluation Down-Selection

Perform an evaluation of all programmatic and financial aspects of the proposals, such as qualifications, past performance, response to City goals and programmatic requirements, renovation budget, business financial pro formas, estimated construction budgets, and respondent financial statements and capability.

Provide support for and attend one-on-one interviews conducted with qualified bidders, including developing and submitting questions to be addressed during the interviews.

Provide to the evaluation team for discussion a summary of A&M's findings from the technical, financial and interview assessments. A&M assessment findings will be presented in a confidential evaluation workshop with the evaluation team.



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Provide a summary report and assist with formalizing the evaluation committee(s) rankings of compliant respondents.

Develop selection recommendation presentation and brief City leaders, possibly including the joint Arts and Music Commission and City Council.

DELIVERABLES FOR Task 5:

- Summary proposal evaluation findings – A&M will submit a summary to document their findings associated with the evaluation of bidder proposals.
- Financial analysis of responses – A&M will submit a financial analysis of the facility's development and operating budgets for each response.
- Interview questions – A&M will develop and submit a list of questions to be addressed during one-on-one interviews with qualified teams.
- Selection recommendation presentation.

TASK 6. Property Acquisition

Following broker site selection process, review and evaluate potential properties for acquisition with a focus on viability for the proposed arts uses, reasonable renovation costs, and alignment with potential operator financial plans.

Review real estate acquisition and renovation transaction documents, which will likely include, but are not limited to: letters of intent (LOI), Purchase and Sale Agreement (PSA), and ground lease. Provide recommendations for the City to negotiate with real estate sellers, to ensure that transaction aligns with project delivery strategy.

DELIVERABLES FOR Task 6:

- Evaluation summary of property acquisition options – A&M will submit a summary to document their findings associated with the evaluation of site options.
- Comments on draft real estate acquisition documents

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EXHIBIT B-1
LIST OF CONSULTANT'S PROJECT MANAGER
AND SUBCONTRACTORS

**LIST OF CONSULTANT PROJECT MANAGER
 AND
 SUBCONTRACTORS**

A. Project Manager:	1.	Jay Brown Alvarez & Marsal 655 15th Street, NW, 6th Floor Washington, DC 20005 (202) 494-3120 jbrown@alvarez&marsal.com
	2.	Jenifer Boss Alvarez & Marsal 655 15th Street, NW, 6th Floor Washington, DC 20005 (202) 590-0784 jboss@alvarezandmarsal.com
B. Subcontractors		
	1.	_____ (Name) _____ (Company Name) _____ (Address) _____ (Cell #) _____ (Email)
	2.	_____ (Name) _____ (Company Name) _____ (Address) _____ (Cell #) _____ (Email)
	3.	_____ (Name) _____ (Company Name) _____ (Address) _____ (Cell #) _____ (Email)