



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 19-1009, **Version:** 1

Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Standard AIA-A141 (2014) Agreement with Stellar Industrial Solutions for Design/Build Services for the McKinney StarCenter Expansion Project (FC1709) Located at 6993 Stars Avenue Conditioned Upon Receipt of Participant Funds from the Dallas Stars and Execution of an Agreement with the Dallas Stars for Partial Funding of the Project

COUNCIL GOAL: Enhance the Quality of Life in McKinney
(5A: Create Affordable Recreational and Cultural Arts Activities for All Ages Throughout the City)

MEETING DATE: December 3, 2019

DEPARTMENTS: City Manager's Office
Public Works Department

CONTACTS: Barry Shelton, Assistant City Manager
Patricia L. Jackson, PE, Facilities Construction Manager

RECOMMENDED CITY COUNCIL ACTION:

- Approval of the Resolution.

ITEM SUMMARY:

- This Resolution authorizes the City Manager to execute an agreement with Stellar Industrial Solutions (Stellar) to provide Design / Build services related to the design and construction of the McKinney StarCenter Expansion Project (FC1709) located at 6993 Stars Avenue for a guaranteed maximum price (GMP) of \$13,800,000 and subject to the successful negotiation of terms and conditions.
- The Dallas Stars have committed \$2,000,000 towards the project, which must be put in escrow with the City prior to the City Manager's execution of the agreement with Stellar Industrial Solutions.
- This Resolution further authorizes the City Manager to enter into an agreement with the Dallas Stars to accept the \$2,000,000 of project funding.
- Six firms submitted statements of qualifications, by responding to RFQ 20-12RFQ, and were evaluated by representatives from the Dallas Stars Organization along with City staff from the City Manager's Office and the Public Works and Purchasing Departments.
- The evaluation team is recommending that the top-ranked firm of Stellar Industrial Solutions be selected for this project.

- Stellar submitted a proposal to provide complete design and construction services related to the McKinney StarCenter Expansion Project for a GMP not to exceed \$13,800,000.

BACKGROUND INFORMATION:

- Stellar Industrial Solutions is one of the nation's leading design, engineering, construction, refrigeration and mechanical services firms and provides multifaceted design and construction services to businesses around the world. Stellar has been continually ranked as one of the nation's Top 25 companies in the design-build industry and among the top 100 contractors in the U.S. by Engineering News-Record.
- City Council previously approved a business plan showing the economic growth associated with the expansion of the McKinney StarCenter as well as the \$4,500,000 funding contribution from McKinney Community Development Corporation (MCDC).

FINANCIAL SUMMARY:

- A companion budget amendment ordinance being presented will amend the FY2020 annual budget and the FY20-24 Capital Improvements Program Budget to provide funding for the McKinney StarCenter Expansion Project FC1709 in the amount of \$14,000,000.
 - Funding for the project is \$7.5 million of previously issued CO bonds, \$4.5 million of MCDC funds, and \$2 million contribution from the Dallas Stars.
- The McKinney StarCenter is owned by the City of McKinney and leased to the Dallas Stars at the current monthly rate of \$49,000. After completion of this expansion project the monthly rate will increase to offset the additional construction costs over the 20 year lease period.
- The tenant remains responsible for the cost of operations, maintenance and capital repairs.

BOARD OR COMMISSION RECOMMENDATION:

- The McKinney Community Development Corporation approved \$4,500,000 for partial project funding at the November 21, 2019 meeting with Agenda Item 19-0971.