

A faded background image of the Denver Convention Center building with a large bear sculpture in the foreground. The bear is standing on its hind legs, leaning forward. The building has a glass facade and the words "DENVER CONVENTION CENTER" are visible on the upper part of the structure.

# Design-Build Agreement

## Colorado Convention Center Expansion

August 5, 2020

# Project Overview



Expand the Colorado Convention Center to include features that focus on the quality and character of place and experience, connectivity, flexible and unique spaces, and technology, all of which will help keep the CCC vibrant and attractive for years to come.

# History

## **Currigan Hall (1969)**

- Approx. 250,000 sf

## **Original Convention Center(1990)**

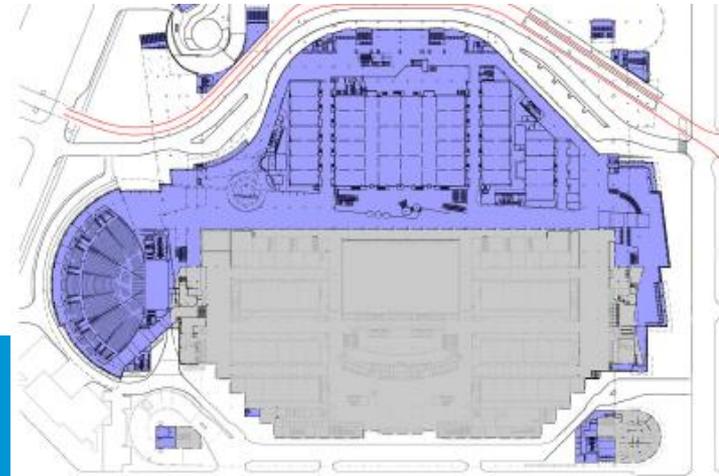
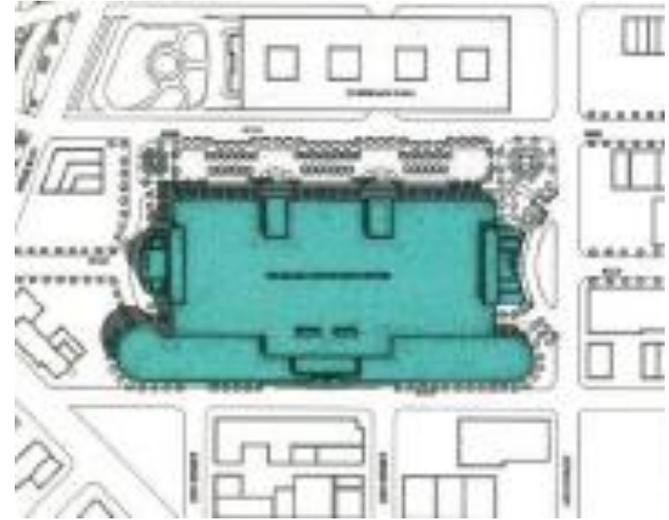
- Added approx. 800,000 sf

## **Expansion #1 (2004)**

- Demolished Currigan Hall to double Convention Center

## **2015-16 Master Plan and Funding**

- Defined Project need, purpose and priorities
- Voter approval of funding (tourism taxes)



# Convention Demand Projections

## POST-PANDEMIC DEMAND

- Industry studies suggest greater face-to-face meeting demand in future but with hybrid experience
- Meetings serve as critical education platforms for professionals (e.g. certifications) which is likely to continue in post-pandemic economy

## ECONOMIC IMPACT

- **12.5 percent** of all travel spending are meetings and conventions
- **Four out of every 10 dollars** spent on business travel in the U.S. can be attributed to meetings and conventions – proving its significant value to local economies
- Annually the convention center generates **\$600-\$700M** in economic impact for Denver

## EXPANSION DESIGN

- Designed for small to midsize conventions to drive **more economic impact**
- Expansion opens in **2024** when industry should be back to normal
- Expansion is **designed for the future**. Flexible, multifunctional, creative spaces for new meeting concepts, technologically advanced and branded

# Economic Impact

## Direct Effect

Result of the initial change in economic activity as well as the effects on suppliers of initially impacted industries

## Indirect Effect

Subsequent supply chain effects resulting from direct impacts

## Induced Effect

Effects of new earnings, investment, and government spending as a result of direct and indirect impacts

\*Software provided by Economic Modeling Specialists, Inc. (EMSI). Utilizes a statistical approach to quantify input-output multipliers reflecting regional economic changes based on an integrated dataset of nearly 90 government data sources. Based on Bureau of Economic Analysis (BEA) US National Input-Output Model. For detailed documentation see: [EMSI I-O Model Documentation](#)

# Economic Impact

**2,691 jobs**



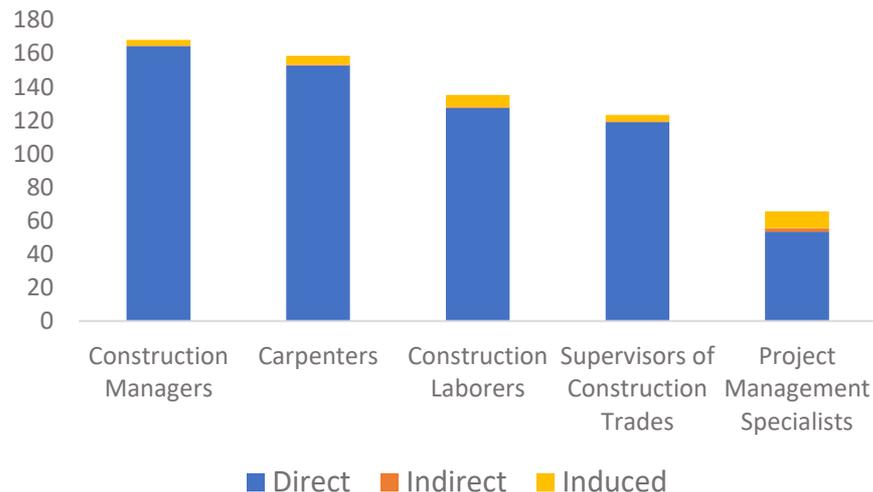
**\$195 million  
in labor income**



**\$475 million  
in anticipated sales**



## Occupations with Greatest Jobs Impact



# Economic Impact

	Jobs	Labor Income (\$M)	Anticipated Sales (\$M)	Value- Added (GRP) (\$M)
Direct	1,516	\$128.8	\$304	\$942.3
Indirect	143	\$8.9	\$23.8	\$399.6
Induced	1,032	\$57.3	\$147	\$2,672.4
<b>Denver Metro</b>	<b>2,691</b>	<b>\$195</b>	<b>\$474.8</b>	<b>\$4,014.3</b>

**\$4 billion** value-add to the regional economy

# Procurement Background

- RFQ Advertised – July 12, 2019
- 4 Qualifications Submittals Received
- Shortlist Established – Sept. 2019 (Hensel Phelps, PCL, Weitz)
- RFP Issued – Oct. 15, 2019
- Workshops – Nov, Jan, Feb
- Receive Proposals – April 15, 2020
- Selection – July 2, 2020 (Hensel Phelps Construction Co.)\*

# Procurement Requirements

- Adhered to applicable State Statutes, Municipal Code & Executive Orders
  - Competitive Selection Process
  - Proposed Fees
  - Ability to Meet Schedule

## D.R.M.C Section 2.3.3

*All such contracts shall be: (1) let to the lowest, responsive, qualified bidder, or if not let in that manner; (2) let through a competitive selection process. All solicitations for such contracts shall be advertised in an official publication or in some other manner as provided by Charter or ordinance, provided however, that if public advertisement is impracticable, proposals shall be requested from at least three (3) qualified bidders or proposers.*

## Code of Ordinances

### Section 20-56 Competitive Selection

*...such evaluation factors shall include, but shall not be limited to: proposed fees (including general conditions and markup), expenses or cost saving considerations, as appropriate to each project; ability of professional personnel; past performance on similar projects; ability to meet time and budget requirements; recent, current, and projected workloads of the firm; and as applicable, the concept of the project. The statement will also include a brief narrative describing the review, evaluation, selection and, as applicable, the contract negotiation process; ...*

# Procurement Criteria

## Qualifications Submittals

- Qualifications & Experience of Team
- Qualifications & Experience of Key Individuals
- Management Approach
- Ability to Build Consensus Among Stakeholders
- Workforce
- Diversity and Inclusiveness

## Proposals

- Alternative Technical Concepts
- Fee Proposal
- Project Challenges
- Project Schedule
- Workforce
- M/WBE Utilization
- Interview

# Procurement Outcome



**HENSEL PHELPS**

Plan. Build. Manage.

## MBE/WBE Partners

- Ambient Energy – *Sustainability Consulting*
- Castillo Architects – *Architectural*
- Design 5280 – *Interior Design*
- Dig Studios – *Landscape Architecture / Urban Planning*
- enLighten Engineering – *Electrical Engineering Design*
- Integral Engineering – *Structural Design*
- K2 Audio – *Acoustics, AV, Telecom, Electronic Security*
- KLOK Group – *Mechanical and Plumbing Design*
- San Engineering – *Civil Design*
- Scandaliato Design Group/Veritas – *Fire Protection Design*

tvstdesign



me | engineers



## Trade Partners

Derr & Gruenewald – *Steel Erection*  
W&W | AFCO Steel – *Steel Fabrication*  
RKMI – *Mechanical & Plumbing*  
Weifield – *Electrical*  
Sky Blue – *Purchasing, Management*

# Contract Information

CONTRACT AMOUNT

**\$212M**

COMPLETION

**Q4 2023**

- SECTION 1 – AUTHORITY; ENGAGEMENT; COORDINATION OF WORK
- SECTION 2 – CONTRACT DOCUMENTS
- SECTION 3 – SCOPE OF WORK
- SECTION 4 – CONTRACT TERM AND TIME OF COMMENCEMENT
- SECTION 5 – INSURANCE REQUIREMENTS
- SECTION 6 – COMPENSATION AND MAXIMUM CONTRACT AMOUNT
- SECTION 7 – ADDITIONAL PROVISIONS

# Project Scope

Rendering of Rooftop Expansion



# Project Scope

- 80,000 square feet of flexible meeting and ballroom space
- Pre-function space with views of Rocky Mountains
- New outdoor terrace
- Full kitchen, storage, and appropriate back of house spaces
- Technology improvements and new networking spaces
- Lobby improvements and vertical circulation
- LEED Gold Certification

# Project Costs & Funding

## Dedicated Funding Sources

- \$104M from Voter Approval of 2015 Measure 2C (Hotel & Rental Car Taxes)
- \$129M from Certificate of Participation (COP) that pledged Tourism Improvement District, Seat Tax, and CCC Hotel Revenues

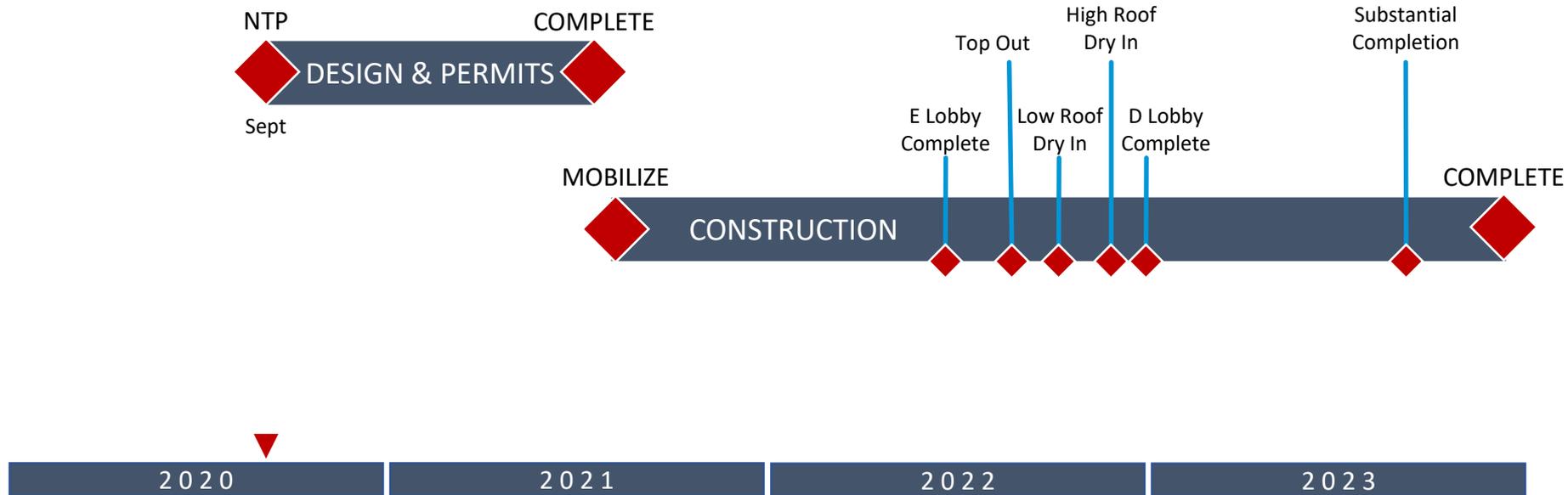
## Expenditures to Date

\$2.2M Basis of Design  
\$2.5M Program Management  
\$ .5M Site Investigations  
\$5.2M TOTAL

## Design & Construction

\$212M Design-Build Agreement

# Project Schedule



# Workforce Plan Requirements

- For the Convention Center, Hensel Phelps is required to submit and adhere to a Workforce Plan that includes the following:

1

## POINT OF CONTACT

Identify a Workforce POC to ensure the implementation of the Workforce Plan

2

## OUTREACH & ENGAGEMENT

Approach and plan for outreach to target populations:

- Veterans
- TANF recipients
- History of Homelessness
- History with Foster Care
- Graduates of pre-apprenticeship programs
- Target zip codes\*

3

## TRAINING STRATEGY

Commitment that 15% of construction hours will be performed by apprentices. Of those:

- 25% of hours by residents in Targeted Areas or from Targeted Populations
- 25% by first-year apprentices

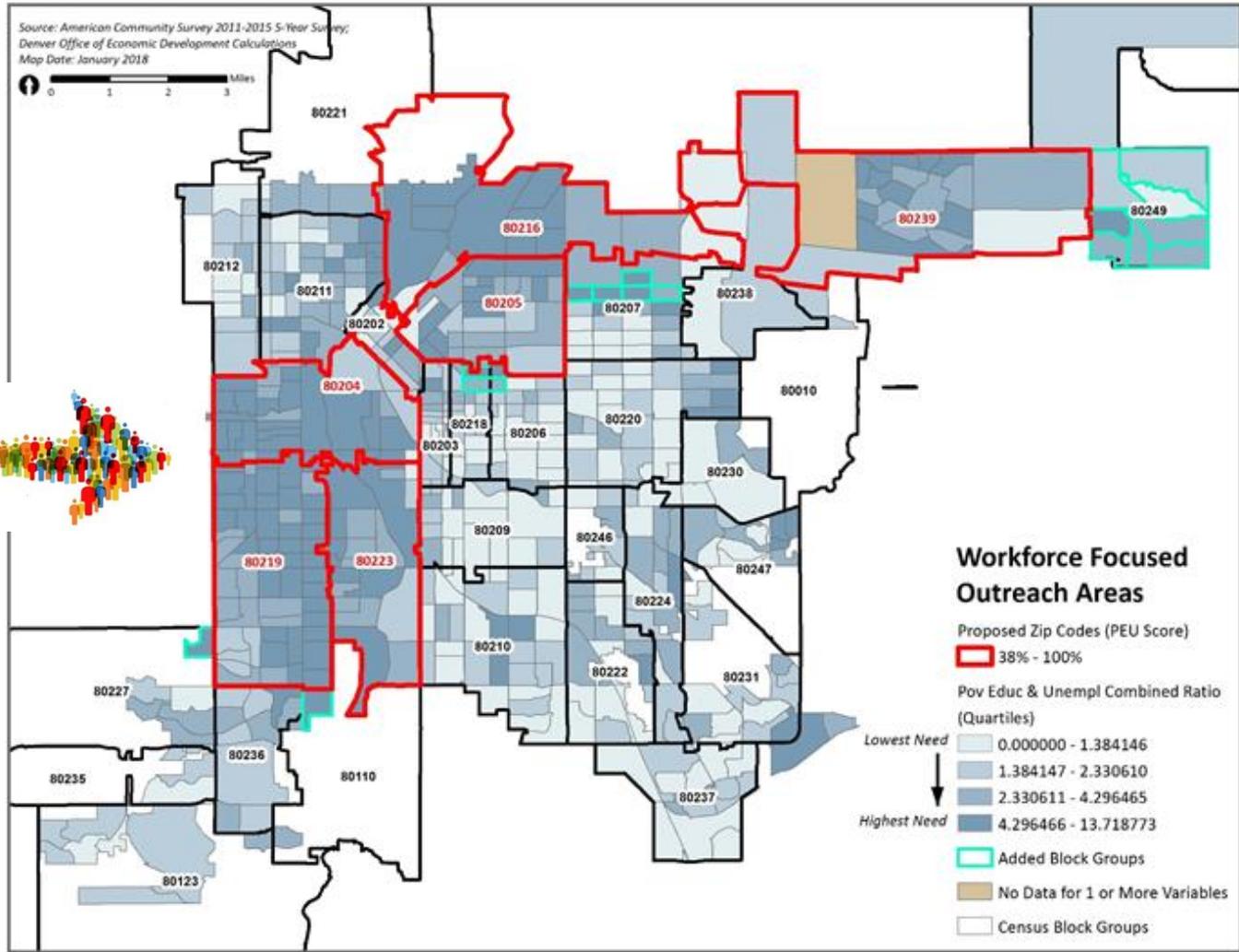
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## REPORTING & TRACKING

Metrics and strategies to track and report progress meeting the Workforce Plan

- LCPtracker (Prevailing Wage System)
- Connecting Colorado (State Workforce System)

# Targeted Workforce Areas



# Workforce Plan

- **Workforce Coordinator** has strong background and experience and currently leads the Denver Metro Construction Sector Partnership, which focusing on building talent pipelines for the industry
- **Outreach Focus**
  - Internships at the high school and college level (working with programs like DPS Career Connect, DPS Careers in Construction, the Denver Scholarship Foundation, etc.)
  - Leveraging multiple outlets to reach target categories (e.g., social media, radio, neighborhood newspapers, etc.) including a partnership with Entravision for Spanish language campaigns
- **Apprenticeship**
  - Working with Trade Partner Registered Apprentice Programs (Union/Non-Union) and WORKNOW to support pre-apprenticeship programs and recruitment
- **Upskilling**
  - Working with subcontractors to identify individuals to be promoted into apprenticeship programs and identify other advancement trainings and/or certifications

# Apprenticeship Projections

Scope of Work	Estimated % of Total Job Hours	Estimated % of Total Apprenticeship Hours
Electrical	16%	28.3%
Metals (Structural Steel)	31%	21.9%
HVAC	14%	20.0%
Conveying Equipment	6%	11.0%
Plumbing	6%	8.2%
Concrete (Carpentry)	9%	6.3%
Thermal and Moisture Protection	11%	1.9%
Openings (Curtain Wall/Glazing)	3%	1.1%
Fire Suppression	3%	0.9%
Low Voltage Systems	3%	0.5%

Current HP projections show roughly 28% apprenticeship utilization in scopes of work that have registered apprenticeship programs.\*

## Projected Companies and Programs

*(not comprehensive – will be informed by future bids)*

- **RK Mechanical and Weifield** (electrical apprenticeship programs; recruit from Master's Apprentice and Construction Careers Now pre-apprenticeship programs)
- **Derr & Gruenewald** (Iron Workers Local 24; recruit from WORKNOW pre-apprenticeship programs)

# MWBE Utilization Plan Requirements

- For the Convention Center, Hensel Phelps is required to submit and adhere to a Utilization Plan that includes the following:

1

## POINT OF CONTACT

Identify a MWBE Coordinator to ensure the implementation of the Utilization Plan

2

## OUTREACH & ENGAGEMENT

- Support of and participation in Mentor Protégé Program
- Collaboration with community stakeholders such as Hispanic Contractors of Colorado, Colorado Black Chamber of Commerce, Colorado Women's Chamber of Commerce, and others.

3

## MWBE Participation Goals

Commitment to the Design Goal and Construction Goal:

- 22% MWBE Design Goal
- 17% MWBE Construction Goal

4

## Compliance/Utilization Plan

- Utilization Plan reviewed for innovative ideas and approaches;
- Approach to utilizing new certified small businesses,
- Commitment compliance, outreach and transparency;
- Provide approach to mentoring and elevating small businesses.

# MWBE Plan

- For the Convention Center, Hensel Phelps submitted their MWBE Utilization Plan for review and approval:

1

MWBE DESIGN REQUIREMENT

22%

2

MWBE CONSTRUCTION REQUIREMENT

17%

- Dedicated MWBE Program Coordinator to ensure the implementation and execution of the MWBE Utilization Plan
- Bid packages structured into economically feasible units for maximum MWBE participation. several bid packages may have “M/WBE Set-Aside” requirements, if acceptable to the CCD, to capture and ensure participation for scopes that have significant amount of M/WBE availability.
- Will host Lunch & Learns as pre-bid activities and Launch & Learns as project information sessions
- Utilization Plan reviewed for innovative ideas and approaches; approach to compliance monitoring, outreach and transparency; and approach to mentoring and elevating small businesses.
- Participant in City Mentor Protégé Program

# Questions