



# Broward County

## Legislation Text

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File #: 20-2370, Version: 1

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### **Broward County Commission Regular Meeting**

**Director's Name:** Bertha Henry

**Department:** County Administration

### **Information**

#### **Requested Action**

**MOTION TO APPROVE** deliberately-phased Agreement between Broward County and KPMG, LLP, (Agreement) for Public-Private Partnership (P3) Consultant Services for Joint Government Center Campus project (JGCC) in substantially the form provided to the Board, in a not-to-exceed amount of \$1,200,000, including reimbursables, and authorize the County Administrator to execute after review and approval as to legal sufficiency by the Office of the County Attorney.

#### **Why Action is Necessary**

As authorized by the Unified Direct Procurement Authority (UDPA) at its December 15, 2020 meeting (Item No. 5), the County, as agent for the City of Fort Lauderdale, must approve the Agreement after approval by the City Manager and City Attorney.

#### **What Action Accomplishes**

Provides for the piggyback of a Broward College contract with a P3 consulting services firm for the provision of said services for the JGCC.

#### **Is this Action Goal Related**

No

#### **Previous Action Taken**

May 7, 2019 Regular Meeting (Item No. 76); June 4, 2019 Regular Meeting (Item No. 74); June 11, 2019 Regular Meeting (Item No. 92); June 18, 2019 UDPA Meeting; October 15, 2019 UDPA 2019 Regular Meeting (Item No. 92); June 18, 2019 UDPA Meeting; October 15, 2019 UDPA Meeting; December 10, 2019 UDPA Meeting, October 20, 2020 UDPA Meeting, December 15, 2020 UDPA Meeting (Item No. 5)

#### **Summary Explanation/Background**

At its May 7, 2019 Regular Meeting (Item No. 76), the County approved an Interlocal Agreement ("ILA") with the City of Fort Lauderdale (City) for the development of the JGCC. At its May 7, 2019 Regular Meeting (Item No. 19-0295) the City also approved the ILA. The ILA established the Board of County Commissioners and the City Commission collectively as the UDPA in connection with the development of the JGCC.

At its June 4, 2019 Regular Meeting (Item No. 19-0511), the City waived its Procurement Code and designated itself and the County the UDPA for the development of the JGCC. At its June 11, 2019 Regular Meeting (Item No. 92), the County waived its Procurement Code and designated itself and

the City the UDPA for the development of the JGCC.

At its meeting of December 15, 2020 (Item No. 5), the UDPA approved the utilization of a P3 project delivery method for the development of the JGCC. At the same meeting (Item No. 5), the UDPA approved the County's engagement of a P3 consulting services firm to assist in the development of the P3 solicitations and evaluation of proposals.

This deliberately-phased Agreement provides for P3 consulting services to assist with the solicitations, evaluation of proposals, and contracting with a development team that will develop the JGCC. The City will be a third-party beneficiary to this Agreement with the right to enforce all obligations of the P3 consulting firm and exercise all the City's rights under the Agreement. This Agreement is structured into phases, with each phase requiring its own Notice to Proceed and Task Order(s). The compensation is an hourly maximum not-to-exceed amount as opposed to a lump sum amount, which staff will manage to ensure the County and City are receiving fair value for their investment.

KPMG originally proposed a scope of work with compensation of \$1,425,000 - \$1,800,000. After discussions with staff to refine the scope, KPMG provided an updated proposal with a maximum not-to-exceed compensation of \$1,200,000 (Exhibit 3). Before work commences, a Task Order for each phase will be further negotiated. As the parties clarify the P3 consulting needs of the JGCC project, tasks and time allocated to them might be pared back, further reducing costs. The County will be responsible for 57% of compensation under the Agreement, and the City will be responsible for 43%.

To assist with the final development of the P3 solicitation documents, the P3 consultant would perform a 'market sounding' to determine if the JGCC project, as currently envisioned, is of interest to the development community, and to determine if any changes should be made to the solicitation documents before issuance. The P3 consultant will provide a summary of the market sounding findings.

The P3 consultant would assist with the development of both a Request for Qualifications, to qualify developers and their teams, and a Request for Proposals, to evaluate design and financial proposals. This work includes developing financial capacity requirements, risk transfer impacts, Operations and Maintenance (O&M) performance criteria, project schedules and other criteria that would be included in the solicitation documents. The P3 consultant would further assist with the development of specific financial and commercial terms for the project agreement, including payment mechanism, interest rate risk transfer, calculation of relief and compensation events, and termination impacts. The consultant would later assist with the review and analysis of submitted responses and proposals.

The County identified KPMG as a good choice for the P3 consultant services given their extensive P3 experience and their recent and ongoing work of a similar nature with Broward College. The Broward College P3 solicitation (Exhibit 1) and contract with KPMG, including task orders (Exhibit 2) were reviewed and approved by legal and procurement staff as sufficient for use by the County.

Staff contacted KPMG to begin discussions and KPMG then provided an initial scope of services proposal to the County. Two meetings were held, both on December 21, 2020, to review the proposal and begin agreement negotiations. The meetings were attended by representatives from KPMG and the County (including County Administration, the Office of the County Attorney and the Finance and

Administrative Services Department. The City Manager was consulted prior to these meetings.

Staff is working on finalizing the scope of P3 consulting services, maximum not-to-exceed compensation, and potential supplemental terms and conditions with KPMG. Then the draft agreement will be sent to the City Manager and City Attorney. Once the City signs off on the draft agreement, it will be sent to the Board prior to the meeting as additional material.

**Source of Additional Information**

Alan Cohen, Assistant County Administrator, (954) 357-7364

**Fiscal Impact**

**Fiscal Impact/Cost Summary**

The source of the funding for this project is General Capital Outlay Fund in the amount of \$1,200,000. The County will pay up to this amount but will only be responsible for 57% of the total (up to \$684,000) after reimbursement from the City. The source of funding from the City of Fort Lauderdale's 43% share of the cost is in accordance with the ILA, Article 4, Costs and Fee Sharing.