



Tooele County Council Agenda Item Summary

Department Making Request:

Manager's Office

Meeting Date:

Mark Options That Apply:

Grant
1 time

Contract
1 yr. or less

Purchase

Exp date: _____

Grant
With County Match

Contract
More than 1 yr.

Exp date: _____

Budget Impact:

In Budget

Over Budget

Requested Amount: \$50,000

Item Title: Deseret Peak Complex Master Plan Update

Please answer the who? what? when? why?

This is a contract with Victus Advisors to do our Deseret Peak Complex Feasibility Study. We went through the RFP process and feel this is the best overall option for this study. This comes right in on budget. The project is estimated to take 18 weeks. It will include kickoff meetings, sight tours, public information meetings, interviews with stake holders, and event organizers, plus other great information and data research.

List who needs copies when approved: Brittany & Corey



March 7, 2022

Alison H. McCoy
Tooele County Auditor
47 South Main Street
Tooele, Utah 84074

Ms. McCoy:

This Letter Agreement (or “Agreement”) confirms the terms and conditions for Victus Advisors LLC (“Victus Advisors” or “Victus”) to provide Tooele County (the “County” or the “Client”) with a Deseret Peak Complex Master Plan Update (Solicitation #CT22-51).

The remainder of this Letter Agreement contains the following key sections:

- Scope of Services
- Project Schedule
- Project Cost & Billing Schedule
- Terms & Conditions
- Signature Page

If you have any questions about this Letter Agreement, please contact Brian Connolly, Managing Principal of Victus Advisors, at (435) 776-5728 or bconnolly@victusadvisors.com.

We look forward to working with you on this exciting project in Tooele County!

Sincerely,



Brian Connolly
Founder & Managing Principal
Victus Advisors LLC
2720 Homestead Road, Suite 130
Park City, Utah 84098

Our project team, led by Victus Advisors and Think Architecture, will provide the County with the following services to complete a Deseret Peak Complex Master Plan Update:

I. KICKOFF MEETING, SITE TOUR & PUBLIC INFO SESSION:

- Meet with County representatives for a project kickoff and planning meeting to gather information regarding background, key drivers, potential constraints, and work plan.
- Tour the Deseret Peak Complex and review the existing operations, events, etc.
- Following the kickoff meeting, host an initial Public Information Session to present the project team, goals, methodology, and input opportunities to the public.

II. STAKEHOLDER INTERVIEWS & EVENT ORGANIZER INTERVIEWS:

- Work with the County to identify one-on-one interview opportunities for: a) approximately ten (10) key stakeholders, and b) approximately ten (10) event organizers that currently utilize the Deseret Peak Complex.
- Complete interviews with approximately up to ten (10) potential new user groups or event types (as identified by Victus Advisors through our market research process) that could be prospective users of a renovated Deseret Peak Complex.

III. ONLINE SURVEY

- Draft, develop, program, and implement a statistically-valid online survey through the County's existing databases of citizens, Deseret Peak Complex users, recreation and parks users, social media channels, etc. The goals of this survey will be to gather feedback regarding existing facilities/programs at Deseret Peak Complex and identify opportunities to increase community usage in a renovated complex. With a County population of approximately 73,000 people, we would require at least 385 survey responses in order to achieve a margin of error of +/- 5.0% with a 95% confidence interval.

IV. DEMOGRAPHIC/SOCIOECONOMIC ANALYSIS & RECREATION/EVENT TRENDS

- Analyze demographic trends and characteristics of the County to understand both current demographics as well as future growth.
- Analyze regional and national participation trends in indoor and outdoor recreation, sports, aquatics, concerts, festivals, events, meetings, etc., and identify potential opportunities.

V. ANALYSIS OF EXISTING FACILITY OPERATIONS:

- Analyze historical operating data including the number of historical annual events held at each facility, historical and projected operating revenues and expenses of the complex, event-specific financial performance (event performance/profitability reports), any existing leases or tenant agreements, organizational structure and staffing levels (including any management contracts/terms), ticketing agreements or concessionaire agreements, venue/promoter guides or marketing/promotional materials, user fees, rental rates, etc.
- Develop lists of strengths and weaknesses of the existing operations of the facility, and then identify specific opportunities for improvement via operational improvement, strategic plan changes, programming opportunities, or marketing opportunities.

VI. COMPARABLE RECREATION & EVENT CENTER ANALYSIS:

- Victus will conduct a detailed review of at least five (5) to seven (7) comparable regional recreation and event centers in Utah or the Mountain West, including interviewing key staff regarding best practices for facility development and operations.
- We will gather information regarding location, ownership, operations, amenities/features, user fees, rental rates, unique/special events, other innovative uses, etc.

VII. MARKET FEASIBILITY RESULTS & RECOMMENDATIONS / INTERIM REPORT

- After completing our market research phases, Victus will identify opportunities for increased utilization of the complex via both increased utilization of existing venues/amenities and physical upgrades or additions to the venue mix. Victus will provide specific research-based rationale behind each recommendation. In addition, Victus will identify any other potential complimentary or ancillary uses that could be compatible with the goals of the complex, whether focused on community use or economic development. At this point, we will present an Interim Report of market feasibility findings to the County.

VIII. USAGE PROJECTIONS, OPERATING & FINANCIAL ANALYSIS

- Victus will project the sustainable daily and seasonal usage (and the number of special or recurring events) for at least the next ten (10) years of operations.
- Victus will develop a custom 10-year financial model to project the financial operations of the venue, including detailed revenues/expenses by category. This pro forma will assess cost recovery from operations, as well as estimate potential long-term capital needs.

IX. MASTER PLANNING (CONCEPTUAL DESIGNS, COST ESTIMATES, UTILITIES, ETC.)

- Think Architecture will first generate a narrative for the conceptual designs based on the research collected and program recommended by Victus, and then Think will begin to determine features and area quantity information as well as an outline for the facility's level of performance. Think will also ensure that Accessibility, Safety/Security, and Sustainability (green building, energy efficiency) are carried through their design process.
- Think will generate multiple site plan and facility concepts for the renovated complex. These concepts will be reviewed with both Victus and County staff to ensure that the resulting information is in-line with the understanding and expectations of the steering committee. As necessary, master plan recommendations may be phased based on available funds and/or prioritization of opportunities and needs.
- CCC will develop a preliminary opinion of probable construction costs for various venue development and master plan options. This cost analysis will include both hard and soft costs, such as site preparation and infrastructure costs, building construction costs, equipment and major systems costs, soft cost estimates (design, land-use fees, building permit fees, etc.), as well as a total capital project cost estimate.
- Lastly, ACE will identify any necessary upgrades in utilities to support the master plan.

X. FUNDING OPTIONS ANALYSIS & PHASING PRIORITIZATION

- It is important that the new master plan is financially feasible and can be practically implemented. Victus will analyze the public debt service and financing alternatives used to develop or redevelop comparable venues in similar markets, and to the extent possible we will then quantify these potential funding sources according to the unique characteristics of Tooele County. Then, based upon the estimated costs associated with various elements of the new master plan, Victus will consider any phasing opportunities that may be necessary to begin implementing the master plan. This phasing analysis will also prioritize opportunities based upon their ability to offset costs by either driving operational improvement or increasing fiscal revenue impacts via economic development.

XI. DELIVERABLES

- Initially, our team will present our completed feasibility study and master plan concepts to the steering committee in draft format for review, edits, and updates.
- Next, we will create a final master plan document that will be intended for public release. If requested, we would be happy to present a summary of this document in a public setting. The full master plan document will include but may not be limited to:
 - Executive summary
 - Overview of market feasibility, market research and community engagement results
 - Summaries of stakeholder interviews, user/event interviews, and online survey results
 - Overview of demographic/socioeconomic analysis and recreation/event trends analysis
 - Analysis of current facility operations, strengths/weakness and opportunities/threats
 - Analysis of comparable recreation and event complexes
 - Summary of market feasibility results and recommendations, including identification of new usage opportunities and quantification of new event markets
 - Usage projections and financial operating projections
 - Concept designs / site master plan, with construction cost estimates and utilities plan
 - Analysis of funding options and phasing priorities

ESTIMATED PROJECT SCHEDULE

Victus Advisors estimates an 18-week project schedule to complete our feasibility study, master plan, and deliverables. As shown below, this timeline begins with kickoff meetings and a public information session, proceeds through an interim presentation of market feasibility results and meetings to review initial concept plans/site layouts, and concludes with submittal and review of a complete draft report combining our feasibility study and master plan, followed by a final public presentation of our plan.

Project Tasks	Week:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Kickoff Meetings, Site Tour & Public Information Session		GREEN																	
Interviews - Stakeholders & Event Organizers			GREEN																
Online Survey																			
Demographics & Trends Analysis																			
Analysis of Existing Facility Operations																			
Comparable Recreation Center Analysis																			
Market Feasibility Results/Recommendations																			
Present Summary of Interim Findings																			
Development of Conceptual Designs & Site Plans																			
Usage Projections, Operating & Financial Analysis																			
Review Initial Facility/Site Plans with Steering Committee																			
Finalize Conceptual Designs & Site Plans																			
Construction Cost Estimates																			
Utilities Analysis																			
Funding Options Analysis & Phasing Priorities																			
Submittal/Review of Full Draft Feasibility & Master Plan Report																			
Final Public Presentation (TBD)																			

Note: GREEN boxes identify minimum opportunities for on-site meetings. However, since our project team is Utah-based we can meet additionally on-site as needed.

Please note, Victus Advisors and our subcontractors will make our best effort to comply with the estimated schedule shown above, however we may not be held liable for any delays that are outside of our control, including but not limited to decisions or actions of the Client.

PROJECT COST & BILLING SCHEDULE

COST - The fixed professional fee for our consulting team to complete the scope of services detailed herein will be \$50,000. Our fixed fee is based upon the estimated hours for the assigned staff from each firm to complete the proposed services, as detailed below:

Firm	Role	Estimated Hours
Victus Advisors	Prime Contractor	175
Think Architecture	Subcontractor	60
Construction Control Corporation	Subcontractor	40
Advanced Civil Engineering	Subcontractor	20
Total Estimated Hours:		295
Total Professional Fees:		\$50,000
*Blended Hourly Rate:		\$169.49

**Assigned consultants from each firm have various hourly rates ranging from \$100 to \$250 per hour.*

EXPENSES & ADDITIONAL SERVICES - We do not anticipate reimbursable expenses for this project. Our team is Utah-based, therefore we will not bill for any travel expenses related to this project. In addition, we have assumed that all project materials and deliverables will be submitted electronically, and that the County would be responsible for any printing or reproduction costs for project materials. Should the County request any additional services outside of our proposed scope of services, our hourly rates for this project will be:

<u>Market, Financial & Economic Analysis</u>		<u>Architecture & Engineering Services</u>	
Principal	\$250.00	Principal Architect	\$175.00
Project Director	\$175.00	Associate Architect	\$150.00
Staff Analyst	\$125.00	Architect III	\$130.00
		Architect II	\$120.00
		Architect I	\$110.00
		Landscape Architect III/ Planner III	\$110.00
		Landscape Architect II / Planner II	\$95.00
		Landscape Architect I / Planner I	\$80.00
		Graphic Designer/Artist II	\$90.00
		Graphic Designer/Artist I	\$80.00
		Administration/Marketing	\$80.00
		Clerical	\$50.00
		Zoning/Legal	\$225.00

BILLING SCHEDULE - Victus will bill in five (5) equal monthly invoices submitted on a progress basis throughout the project, with each invoice payable Net 30. Please note, Victus reserves the right to withhold services or deliverables if payment of any invoice is overdue.

Invoice 1: After Kickoff Meeting	\$10,000	Invoice 4: 30 Days Later	\$10,000
Invoice 2: 30 Days Later	\$10,000	Invoice 5: At Submittal of Draft Report	\$10,000
Invoice 3: 30 Days Later	\$10,000		

Any research, analysis, estimates, projections, findings, and recommendations presented as part of this engagement will reflect analysis of primary and secondary research available to Victus Advisors at the time that our study is conducted, including information provided by the Client, their various partners and stakeholders, and other relevant third-parties. Information provided by third-parties will not be audited or verified by Victus Advisors, unless otherwise noted, and we will assume it to be correct. Victus Advisors will extend its best efforts to assure accurate information, however we make no representation or warranty as to the completeness of any information or estimates contained within any reports that we deliver (written or oral), and we express no assurances of any kind on any projected information.

There will be differences between actual events and any projections or estimates made by Victus Advisors. These differences may be material, as future events and circumstances often do not occur as anticipated. Any findings or recommendations made by Victus Advisors will be based solely on the scope of services as defined herein. Victus Advisors cannot be held responsible for any future management actions taken by the Client (or their related partners, investors, stakeholders, clients, contractors, or subcontractors) on which the future performance of their business or projects will depend.

In performance of the services defined in this Agreement, Victus Advisors shall be acting at all times as an independent contractor, and nothing contained herein shall be deemed or construed to create any partnership, joint venture, or employment relationship between Victus Advisors and the Client or its officers, partners, or employees. Victus Advisors shall be solely responsible for payment of all taxes due on payments made by the Client to Victus Advisors.

The Client may terminate this Agreement at any time by providing 30 days' notice in writing from the Client to Victus Advisors. If this Agreement is terminated by the Client as provided in this paragraph, the Client shall pay for services satisfactorily completed by Victus Advisors, less any payment or compensation previously made.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same Agreement. Any counterpart may be delivered digitally by transmission of signatures to the other parties via email.

This Agreement will be governed by the laws of the State of Utah.

SIGNATURE PAGE

The terms and conditions of this Letter Agreement are accepted by mutual agreement of the authorized representatives signing below:

Tooele County

Victus Advisors LLC

Signature:

James A. Welch

Brian Connolly

Name:

James A. Welch

Brian Connolly

Title:

County Manager

Managing Principal

Date:

3/16/22

March 7, 2022

APPROVED AS TO FORM:

Colin Winchester 03/10/2022
Colin R. Winchester
Deputy Tooele County Attorney