

## **Agenda Item: Discuss and Consider Approval to Submit a Response to the Battleship Texas Foundation Request for Proposal for a New Site**

The Battleship Texas is programmed to be relocated from its current location at San Jacinto State Historic Site to an alternate berth along the Texas coast. Bids to solicit 'Request for Proposals' to host the historic Battleship have been emitted by the Foundation Battleship Texas and are attached here. Known contenders include Galveston, Corpus and Baytown. The purpose of this agenda item is to solicit Board participation in 1.) competing to bid Seawolf Park as a potential location, and/ or 2.) supporting bids from other local venues in Galveston.

### **Background**

In late 2019, a community-based committee of interested residents undertook the task of qualifying several potential sites. The report was issued at the end of December and is attached here. Six sites were identified; three sites at the Port of Galveston (Pier 10, Pier 15/16, Pier 20/22), Galveston Yacht Basin, East End Flats or Seawolf Park. Three of the sites had favorable reviews; Pier 21/22, GYB and Seawolf Park.

The Battleship is owned by the State of Texas and is under contract for a 99-year lease by the Foundation. The Foundation is charged with relocating the vessel and maintaining it over the life of the lease. The Texas legislature has funded the effort initially with \$35 million. To date, the Foundation has completed a marine study, removed the underwater bulkhead at San Jacinto, undertaken a feasibility study with Deloitte and sourced shipyards to undertake major restoration work. The Foundation is endowed with both a professional Executive Director and an impressive Board of Directors who are all committed to the mission of preserving the Battleship.

According to the Deloitte study, the Battleship currently receives 88,000 visitors annually and needs to attract 280,000 to maintain the asset. These numbers are comparable to visitation at the USS Lexington in Corpus which receives 306,000 visitors annually. Currently the Battleship drives \$1.85 million in annual revenues from ticket revenue, gift shop revenue, donations, activities and other revenues. Projected ticket revenues at the future site need to approximate \$4.5 million annually according to the Foundation's Director, to cover approximately \$3.5 million in expenses.

In comparison, the Seawolf Park Memorial Plaza hosted 48,000 visitors in 2016, driving \$310,000 in ticket revenues.

In initial discussions, City Manager Brian Maxwell indicated he could be supportive of the relocation of the Battleship to City owned property, but only under the constraint of not accepting any responsibility for ongoing maintenance. Both the City Manager and Mayor have expressed concerns about the fiscal implications of accepting maintenance responsibilities.

The Foundation foresees that it would be solely responsible for maintenance and operations.

Bob Randall is the architect of record for the Memorial Plaza at Seawolf Park which was designed and constructed in 2004. In 2014, the Park Board re-engaged Mr. Randall to update the Seawolf Park Plan and include several elements that are mentioned in the Seawolf Master Plan.

(<https://www.galvestontx.gov/DocumentCenter/View/2726/Park-Board-Seawolf-Master-Plan--April-9-2015-PDF> ) Mr. Randall is the former Director of the Galveston County Park Board, a registered

architect and has a long history operating and designing recreational facilities along the Upper Texas Coast.

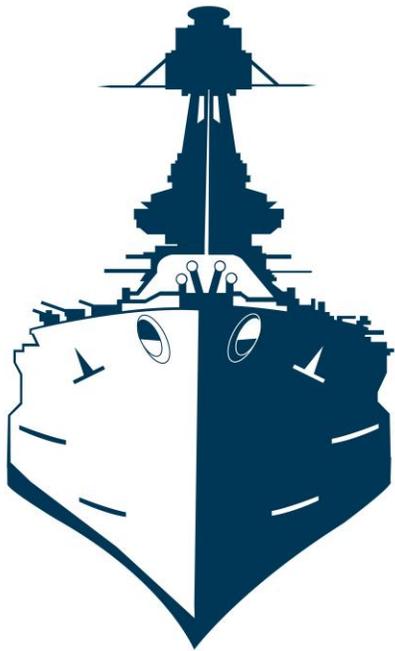
In order to prepare the detailed submission within the timelines provided, staff is recommending the recruitment of Bob Randall at estimated cost of \$30,000.00. Deliverables include the complete preparation of the submittal, with the exception of the required "Letters of Support", including but not limited to:

- 5 year pro forma of projected revenues for memorial plaza visitation, fishing, events, camping and concessionaires.
- Projected construction costs for 10,000 sq. ft. museum, event center, berth, gift shop, water taxi and administrative offices.
- Schematic designs, renderings and conceptual drawings of site plan and buildings.
- Cost analysis and projected construction costs for permitting, dredging, spoil disposal and site preparation for docking of the Battleship.
- Identification and commitment of professional sub-contractors for project.

Park Board staff will be responsible for:

- Obtaining letters of support,
- Defining financing options,
- Meeting with local stakeholders and/ or landowners to gain consensus.

Funding Source: This is a non-budgeted item. Funding TBD



**BATTLESHIP TEXAS**  
**FOUNDATION**



**REQUEST FOR PROPOSAL (RFP)**  
**BATTLESHIP TEXAS NEW BERTH LOCATION**

JANUARY 21, 2019

BATTLESHIP TEXAS FOUNDATION  
ONE RIVERWAY SUITE 2200  
HOUSTON, TX 77056

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## 1. SUMMARY AND BACKGROUND

The Battleship TEXAS Foundation (BTF), a 501c3 nonprofit, is currently accepting proposals for a new berth and home for the Battleship TEXAS. The Battleship TEXAS' current berth at San Jacinto State Historic Site is not a financially viable location for the ship going forward. The BTF is seeking to find a new berth for the Battleship TEXAS that is financially viable, ensuring that sufficient paid visitor revenue can be generated to support the operation and maintenance needs of the ship well into the future.

The purpose of this Request for Proposal (RFP) is to solicit proposals from various candidate organizations, after which the BTF will conduct a fair and extensive evaluation based on criteria listed herein, and select the candidate organization who best represents the direction Battleship TEXAS Foundation wishes to go.

The BTF is a nonprofit foundation that was founded in 1999. Its mission is to preserve and enhance the Battleship TEXAS and develop this historic ship into a premier museum and visitor attraction. In 2019 the BTF and TPWD (Texas Parks and Wildlife Department) entered a 99-year memorandum of understanding/lease (MOU) with TPWD whereby the BTF would operate and maintain the Battleship TEXAS for TPWD and the State of Texas.

Currently, the BTF and TPWD are preparing the ship for transportation to a shipyard where her hull will be replaced from the waterline down and repainted, along with other necessary repairs and improvements. The ship is tentatively scheduled to depart her current berth between April-August 2020 and be in the shipyard for a period of approximately twelve-months. Once the battleship leaves the shipyard, we anticipate the ship arriving in the new berth around August 2021. Following a period to prepare the ship for reopening, the plan is to have it receiving visitors by 1st Quarter 2022.

Once the Battleship TEXAS is reopened to the public the BTF will operate the ship with the highest standards of preservation, maintenance, and will consistently offer new experiences and programs for the ship's visitors to enjoy.

Our experiences and offerings will include, but are not limited to:

- Immersive Experiences
- Self-Guided Exploration of the Battleship
- Guided Tours
- Specialty Tours (like the behind the scenes tours)
- Overnight Programs (sleep aboard education program)
- Corporate Events
- Venue Rentals
- Group Bookings
- Special Programs (Sailor's Christmas, Living History events, et al)
- STEAM Educational Offerings (summer camps, educational programming, et al)
- Gift Shop

- Visitor Center/Museum

## **2. PROPOSAL GUIDELINES**

This RFP represents the requirements for an open and competitive process. Proposals will be accepted until **5pm CST March 13, 2020**. All proposals must be signed by an official agent or representative of the organization submitting the proposal and the current landowner for the new berth. Any visits to the Battleship TEXAS requested in connection with submitting an RFP must be coordinated by email with Bruce Bramlett ([bruce@battleshiptexas.org](mailto:bruce@battleshiptexas.org)). Bidders who have questions regarding this RFP should be referred to Bruce Bramlett ([bruce@battleshiptexas.org](mailto:bruce@battleshiptexas.org)), as well.

If the organization submitting a proposal must seek 3rd party support or relies on the conditional support of a 3rd party or parties for their proposal to meet the requirements contained herein, this must be clearly stated in the proposal.

All benefits and offerings must be itemized and disclosed to include a general explanation of all tangible and intangible benefits.

Contract terms and final conditions will be negotiated upon selection of the winning bidder for this RFP. All contract terms and conditions will be subject to review by BTF's board and legal counsel and will include scope, budget, schedule, and other necessary items pertaining to the project.

## **3. PROJECT PURPOSE AND DESCRIPTION**

The purpose of this project is as follows:

Battleship TEXAS's current berth location does not draw enough paid visitors and admissions revenue to support her ongoing maintenance and operations. The current berth is somewhat isolated from major population centers and to reach the ship visitors must travel through a petrochemical industrial zone. Not only is the current location a hindrance to increased paid visitor attendance and revenue but to donations and philanthropic support as well. Donors are less likely to make major donations due to the ship's inaccessibility at her current berth. BTF strongly believes that moving the ship to a more visible location and having robust partnerships with the winning organization and community will ensure the long-term survival of the Battleship TEXAS. This belief was strongly underscored by a 2016 Deloitte analysis of the ship's attendance trends and self-sustaining revenue generating potential.

### **Project Description:**

BTF is seeking a location for the Battleship TEXAS that: (a) will provide 280,000 paid visitors annually, (b) is visible and easily accessible by the Battleship TEXAS' visitors, (c) has either pier space or the ability to create a mooring, (d) provides enough room for a gift shop

and/or museum building, (e) has sufficient parking, and (f) has the required utilities available to operate the Battleship TEXAS.

The new berth should be highly visible from major roads and by ship's visitors and visible by high traffic pedestrian and/or vehicle traffic.

The new berth location must have enough space to moor the ship securely either pier side or in a custom-built mooring without obstructing navigable waterways. The ship must be able to be transported to her new berth without being dismantled. The ship is 573 feet long, 110 feet wide, 136 feet tall (above the waterline), and drafts 28 feet below the waterline.

There must be enough shore side space at the new berth location for the construction of a 3,000 sq. ft. gift shop. There must be sufficient space for the landing of two ten-foot-wide gangways from the ship with room to allow the gangways to move with the ship. One gangway is for the ship's visitors and a secondary gangway is for service access and emergency exit. BTF also will need proximate secured shore side space to store equipment associated with the ship (gun trailer, work boat, truck, etc.). Lastly, there should be enough space to allow the shore side footprint to eventually include a 10,000 sq. ft. plus museum building that will house exhibits, the ship's artifact collections, and the administrative offices of the Battleship TEXAS Foundation in the future.

In addition to gangways, additional shore side infrastructure will be required. There must be proximate connections for sewage, potable water, telecommunications, and one 480VAC 3PH 500 kVA electrical service and one 120/240 1ph 100 kVA electrical service.

Ideally the new berth would become the property of the BTF, however the BTF is willing to consider entering into a long-term MOU/lease with the berth owner.

#### **4. PROPOSAL SCOPE**

Proposals for this project should show what each bidding organization sees as the future of the ship in the proposed location, *i.e.*, how the ship will benefit from being in that location and in a potential partnership with the bidder. Bidding organizations should include any additional information that they believe necessary that is not specifically requested in this RFP.

Additionally, the following criteria must be included:

- Description of current public attendance at the location and other proximate attractions that draw attendance near this location. Bidder must have documented attendance numbers.
- Projections for Battleship TEXAS attendance in this location (please include methodology used to arrive at the projected number).
- Location and description of berth location.

- Description of how the ship would reach the proposed berth from the Houston Ship Channel or other major deep navigable waterway. This must include:
  - Whether dredging will be required for the ship to reach the proposed berth.
  - Any other obstacles in or above the waterway that might obstruct the ship reaching the berth.
- Description of the berth's current condition. To include:
  - mooring infrastructure
  - water depth at berth
  - associated shore side footprint
  - utilities
  - parking
  - accessibility
  - facilities that maybe used by BTF or will require demolition
  - current ownership
- Description of what improvements must be made to accept the ship at this location (dredging, moorings, pier, etc.)
- Description of what improvements must be made at this location to receive a minimum of 280,000 visitors annually. To include but not limited to:
  - Parking
  - Facilities (gift shop)
  - Visitor access
- Description of how visitors will reach the Battleship from major transportation arteries.
- Description of any marketing that will be done to support the Battleship in this location after being berthed there.
- Description of any plans for the long-term support of the Battleship's revenue. (subsidies, appropriations, grants, joint fundraising, ticket buys, etc.).
- Description of the desired contractual relationship with BTF.
- Statement describing why the Battleship will thrive in the proposed location.

## 5. REQUEST FOR PROPOSAL AND PROJECT TIMELINE

### Request for Proposal Timeline:

All proposals in response to this RFP are due no later than 5:00 p.m. CST **March 13, 2020**.

Evaluation of proposals will be conducted until **March 31, 2020**. Organizations whose proposals are being further reviewed by BTF as described below should be prepared to present their proposal formally around the week of **April 13, 2020**.

If additional information or discussions are needed with any bidders during this window, the bidder(s) will be notified.

The selection decision for the top three proposals will be made no later than **April 3, 2020**. Once selected the top three finalists will be posted to our website for public review and

comment. During this public review period, organizations who submitted the top three proposals will present their proposal to a panel consisting of BTF, Valkor Energy Services, Deloitte, and TPWD representatives. The winning proposal will be announced on **April 30, 2020**. The bidders not selected will be notified prior to this announcement.

Upon notification, the contract negotiation with the winning bidder will begin immediately.

### **Project Timeline:**

The proposed new berth must be completed and ready to receive the ship and visitors no later than January 2022.

## **6. BUDGET**

All proposals must include proposed rough order magnitude (ROM) costs and budget contributions to create the new berth for the Battleship TEXAS. Pricing should be listed for each of the following items in accordance with the example format below:

Land Use  
Mooring Construction  
Shore Side Facilities  
Infrastructure  
Expense Offsets

All costs must be clearly described in each proposal. Costs may be expressed as rough estimates. However, a complete and relatively accurate budget will be anticipated in the presentation round.

## **7. BIDDER QUALIFICATIONS**

Bidders should provide the following items as part of their proposal for consideration:

- Description of the organization making the proposal.
- List of the major partners/officers in your organization.
- Letters of support from the local community.
- Anticipated resources you will be able to contribute the creation of the new berth
- Anticipated resources you will be able to contribute after the ship has reopened in this new berth.
- Timeframe executing proposal

## **8. PROPOSAL EVALUATION CRITERIA**

BTF will evaluate all proposals based on the following criteria. To ensure consideration for this Request for Proposal, your proposal should be complete and include all the following criteria:

- Overall proposal suitability: proposed solution(s) must meet the scope and needs included herein and be presented in a clear and organized manner
- Organizational Quality: Bidders will be evaluated on their experience as it pertains to the scope of this project and their ability to continued support after the Battleship TEXAS is berthed in the new berth.
- Organizational Relationships/Partners: Bidders will be evaluated on the relationships they have and are able to leverage for this project;
- Value and cost: Bidders will be evaluated on the cost of their solution(s) and the resources the bidders can generate to offset the costs associated with the berth.
- Technical expertise and experience: Bidders must provide descriptions and documentation of staff or consultant technical expertise and experience regarding:
  - attendance and marketing estimations
  - berth infrastructure
  - berth design

Each bidder must submit 5 hard copies and a digital copy of their proposal to the address below by **March 13, 2020, at 5:00 p.m. CST:**

**Battleship TEXAS Foundation  
One Riverway Suite 2200  
Houston, TX 77056**