

# IIPOD: Dean International Inc. Contract Renewal



Economic Development Committee  
October 1, 2007

# Purpose

- ❑ To provide information on previous Dean International contracts
- ❑ To evaluate FY '07 contract goals/status
- ❑ To review ongoing IIPOD program priorities
- ❑ To recommend parameters of FY '08 Dean contract

# Background

- ❑ Initial 12 month contract with Dean International, Inc to assist with Inland Port (IIPOD) project executed in September 2004 (\$268,000)
  - Professional Services: \$250,000
  - Expenses: \$18,000
- ❑ Renewed in September 2005 (\$340,000)
  - Professional Services: \$300,000
  - Expenses of \$40,000
- ❑ Revised and Renewed in October 2006 (\$515,000)
  - Professional services: \$390,000
  - Expenses: \$125,000 (Maximum of \$50,000 allocated to Corridors of the Future Program)
  - Anticipate \$450,000 in projected expenditures

# Background

- ❑ Initial contract focus involved coalition building with County and neighboring municipalities, program development and public awareness campaign
- ❑ FY07 contract defined program goals, Dean responsibilities, City of Dallas responsibilities and shared objectives

# FY07 IIPOD Goals and Status

## Dean Objectives

- ❑ Support proactive leadership by City of Dallas on a local, state and national level
  - Staffed and coordinated numerous speaking opportunities and site visit to Panama Canal
- ❑ Explore the viability of a special port district or authority (requires legislative approval)
  - Port Authority legislation lacked political support
- ❑ Focus more attention on rail issues and priorities
  - Continued talks with Houston Port Authority concerning creation of a Railroad District

# FY07 IIPOD Goals and Status

## Dean Objectives (cont)

- ❑ Expand and enhance ROTCC and other strategic partnerships with logistics corridor cities, states and ports
  - ROTCC currently has 300+ members, growth of ~100 members since '06. Quarterly meetings held in Memphis, Los Angeles and Windsor
- ❑ Integrate current task force activity to ensure alignment with inland port vision and goals
  - Task force meetings held quarterly, with more frequent work sessions

# FY07 IIPOD Goals and Status

## Shared Responsibilities

- ❑ Expand and renew interlocal agreements within Dallas NAFTA coalition and other potential partners
  - Interlocals expected to be renewed in October, 2007
- ❑ Create a professionally staffed and stakeholder funded non-profit development organization for the purpose of fundraising, public outreach, promotion and marketing
  - Non-profit plans placed on hold pending interlocals and assessment of other funding needs.

# FY07 IIPOD Goals and Status

## City's Responsibilities

- ❑ Initiate comprehensive master planning process to maximize long term development potential and create sustainable communities
  - Hired a consultant to develop first steps in master-plan process; ready to move forward with and RFQ and RFP.
- ❑ Target public sector infrastructure support to stimulate strategic development in the BOX with emphasis on potential BNSF intermodal
  - \$35 million provided in 2006 bond funding
- ❑ Engage environmental stakeholders to ensure impact area is properly treated in State Implementation Plan
  - Created Environmental Working Group with representatives from State, City, COG and environmental groups



# FY07 IIPOD Goals and Status

## City's Responsibilities (cont)

- ❑ Support the Foreign Trade Zone application currently being prepared by Ernst & Young for the DFW airport board
  - FTZ application being reviewed in DC; approval expected 2Q 2008
- ❑ Educate community and explore workforce training opportunities in partnership with area universities
  - Working with COG on workforce training issues
  - Ongoing discussion with area colleges (UNT, UTD, Paul Quinn, Cedar Valley Community College and Mt. Creek Community College)
- ❑ See Appendix A for more detail

# IIPOD Program Priorities for FY08

- ❑ Engage Mayor's task force on Southern Sector Economic Opportunities to ensure alignment of priorities
  - City staff responsibility
- ❑ Renew and expand interlocal agreements with IIPOD cities and Dallas County
  - City staff responsibility
- ❑ Continue to address environmental concerns
  - City staff responsibility
- ❑ Continue to support ROTCC and be aware of additional partnership opportunities
  - Dean responsibility

# IIPOD Program Priorities for FY08

- ❑ Promote Public/Private funding of IIPOD master planning process and Agile Port feasibility analysis
  - City staff oversight with third party consultant responsibility
- ❑ Implement public infrastructure investment ('06 bonds) to support recruitment of BNSF rail intermodal
  - \$35 million allocated (\$4.75 M in June and \$18 M in November)
  - City staff responsibility
- ❑ Enhance security thru technology
  - City staff oversight with third party pilot program
- ❑ Continue to promote expansion of the FTZ
  - City staff responsibility

# IIPOD Program Priorities for FY08

- ❑ Actively explore upgrading cargo rail service between the Port of Houston, Laredo, selective Mexican cities with state and private sector
  - Longer term initiative with high priority for the region
    - City staff and third party consultant responsibility
- ❑ Increase workforce training opportunities and community outreach
  - City staff responsibility
- ❑ See Appendix B for more detail

# Proposed Dean Contract FY08

- ❑ FY08 Contract focuses Dean's effort on area where they can provide the most impact and value
- ❑ Proposed contract includes \$100,000 for professional services and \$20,000 for expenses
- ❑ Focused on creating national transportation/logistics leadership through ROTCC

# Proposed Dean Contract FY08

- ❑ 100% focus on ROTCC with a goal of achieving following objectives:
  - Charge dues to members; membership levels can be tiered. Increase membership in transportation sectors like trucking and rail companies.
  - Determine policy goals for upcoming highway bill that benefit the ROTCC corridor by providing additional funding
  - Capitalize on EPA's involvement and work with trucking companies, cities, states to utilize SmartWay, and reduce idling.
  - Determine one signature ROTCC project, and work to make significant strides in implementation.
  - Become a self-funded organization

# Appendix A: Priorities for Dean and City Staff in FY07

|  | FY07 Dean Contract* |                  |                 | Staff Resources |                                    | Outside Consultant | Total Expenditures |
|--|---------------------|------------------|-----------------|-----------------|------------------------------------|--------------------|--------------------|
|  | Time                | Cost             | Est. Expenses   | % Time          | Projected Funding (General Fund)** | Costs              | Total              |
| <b>IIPOD Program Priorities</b>                        |                     |                  |                 |                 |                                    |                    |                    |
| Dallas Leadership Role                                 | 24%                 | \$93,600         | \$4,000         | 15%             | \$20,350                           |                    | \$117,950          |
| Expand/Renew Interlocals                               |                     |                  |                 | 10%             | \$13,570                           |                    | 13,570             |
| Non-Profit Dev. Corp.                                  |                     |                  |                 | 10%             | \$13,570                           |                    | 13,570             |
| Explore Viability of Port Authority                    | 8%                  | \$31,200         | \$1,000         | 5%              | \$6,785                            |                    | 38,985             |
| Environmental  |                     |                  |                 | 5%              | \$6,785                            |                    | 6,785              |
| ROTCC and other Partnerships                           | 52%                 | \$202,800        | \$50,000        | 10%             | \$13,570                           |                    | 266,370            |
| Master- Planning                                       |                     |                  |                 | 5%              | \$31,095                           | ***                | 31,095             |
| Public Sector Infrastructure                           |                     |                  |                 | 5%              | \$6,785                            |                    | 6,785              |
| Technology & Security                                  |                     |                  |                 | 5%              | \$6,785                            |                    | 6,785              |
| Foreign Trade Zone                                     |                     |                  |                 | 5%              | \$6,785                            |                    | 6,785              |
| Task Forces  | 8%                  | \$31,200         | \$5,000         | 15%             | \$20,350                           |                    | 56,550             |
| Community Outreach (Universities & Community Colleges) |                     |                  |                 | 5%              | \$6,785                            |                    | 6,785              |
| Railroad Issues  | 8%                  | \$31,200         |                 | 5%              | \$6,785                            |                    | 37,985             |
| <b>Total</b>   | <b>100%</b>         | <b>\$390,000</b> | <b>\$60,000</b> | <b>100%</b>     | <b>\$160,000</b>                   |                    | <b>\$610,000</b>   |

\*Funded from Public Private Partnership program

\*\*Projected funding based off of FY07 estimated funding

\*\*\*Consultant was paid \$24,310 for work on first steps of master-plan, and RFQ, RFP development

# Appendix B: Proposed Priorities for Dean and City Staff in FY08

|   | FY08 Dean Contract* |                  |                 | Staff Resources |                                 | Outside Consultant | Total Expenditures |
|---|---------------------|------------------|-----------------|-----------------|---------------------------------|--------------------|--------------------|
|   | Time                | Cost             | Est. Expenses   | % Time          | Proposed Funding (General Fund) | Costs*             | Total              |
| <b>IIPOD Program Priorities</b>   |                     |                  |                 |                 |                                 |                    |                    |
| Dallas Leadership Role/Task Forces  |                     |                  |                 | 20%             | \$34,200                        |                    | \$34,200           |
| Expand/Renew Interlocals  |                     |                  |                 | 15%             | 25,650                          |                    | 25,650             |
| Environmental   |                     |                  |                 | 10%             | 17,100                          |                    | 17,100             |
| ROTCC and other Partnerships  | 100%                | \$100,000        | \$20,000        | 10%             | 17,100                          |                    | 137,100            |
| Master- Planning  |                     |                  |                 | 10%             | 17,100                          | 200,000**          | 217,100            |
| Public Sector Infrastructure  |                     |                  |                 | 5%              | 8,550                           |                    | 8,550              |
| Technology & Security Pilot Programs  |                     |                  |                 | 5%              | 8,550                           | 150,000            | 158,550            |
| Foreign Trade Zone  |                     |                  |                 | 5%              | 8,550                           |                    | 8,550              |
| Community Outreach and Workforce Training (Universities & Community Colleges) |                     |                  |                 | 10%             | 17,100                          |                    | 17,100             |
| Railroad Issues   |                     |                  |                 | 10%             | 17,100                          | 50,000             | 67,100             |
| <b>Total</b>  | <b>100%</b>         | <b>\$100,000</b> | <b>\$20,000</b> | <b>100%</b>     | <b>\$171,000</b>                | <b>\$400,000</b>   | <b>\$691,000</b>   |

\*Funded through Public-Private Partnership money. Consultant contracts over \$25,000 require separate council approval.

\*\* Estimated regional master plan cost of \$1.25 M; needs match funding from county, NCTCOG, other municipalities and private sector