

Mayor and Council Communication

DATE: 05/09/23

M&C FILE NUMBER: M&C 23-0349

LOG NAME: 80GOLF RESALE

SUBJECT

(ALL) Authorize Execution of Purchase Agreements with Multiple Vendors for the Purchase of Merchandise, Food and Beverages for Resale at City of Fort Worth Golf Courses in an Annual Amount up to \$2,000,000.00 for the Park & Recreation Department and Authorize Four Annual, Automatic Renewals

RECOMMENDATION:

It is recommended that the City Council authorize the execution of Purchase Agreements with multiple vendors for the purchase of merchandise, food and beverages for resale at City of Fort Worth Golf Courses in an annual amount up to \$2,000,000.00 and authorize four annual, automatic renewals for the Park & Recreation Department.

DISCUSSION:

The Park & Recreation Department is seeking authorization to purchase up to \$2,000,000.00 per year in golf merchandise, food products, and beverages from various vendors for the City's golf course pro shops and snack shops for subsequent retail sale to the general public. The price of products purchased for resale ranges anywhere from as low as \$1.00 to as high as \$1,000.00, but a majority of the products purchased will be less than \$100.00.

This procurement is exempt from competitive bidding procedures pursuant to Texas Local Government Code 252.022(a)(14) as goods purchased by a municipality for subsequent retail sale by the municipality.

In Fiscal Year 2022, the Park & Recreation Department, Golf Division, spent approximately \$493,352.00 for similar items and generated \$1,121,236.00 in revenue, which included \$314,192.00 in golf resale merchandise and \$807,044.00 in food and beverage sales. The sales generated a net revenue in the amount of \$627,884.00 to the Park & Recreation Department.

The increase in purchasing authority from \$750,000 to \$2,000,000 for the next five years will provide the Department with the opportunity to add new merchandise to the inventory and meet the changing needs of its customer base. The list of items to be purchased includes: food, beverages, clothing, golf equipment, sunglasses, and other merchandise.

The Park & Recreation Department anticipates purchasing resale items from the following vendors:

Acushnet Company (Titleist)	Ben E Keith Foods DFW	Bridgestone Golf, Inc.
Srixon/Cleveland Golf	Ping, Inc.	Truth Purveyor, LLC dba Range Mart
Levelwear, Inc.	ProActive Sports	Playkleen
Pukka, Inc.	St. Andrew's Products	Tifosi Optics
Town Talk Mfg Co, Inc.	Sigel's Beverages	Vantage Custom Classics
Coca-Cola Southwest Beverages	Andrews Distributing	

The Park & Recreation Department may purchase items for retail resale from vendors not listed above so long as the amount purchased from each does not exceed \$49,999.00 annually. If the Department desires to spend more than \$49,999.00 annually with a new vendor, it will amend the M&C for approval by City Council.

The Park & Recreation Department makes no guarantee to vendors that a specific amount of goods will be purchased. The Park & Recreation Department certifies that the vendors will meet vendor requirements set by the Financial Management Services Department.

The annual purchasing amount will not exceed \$2,000,000.00. However, actual spending will be based on the need of the department and the available budget. As for the remaining of Fiscal Year 2023 budget, funding is available within the Park and Recreation Department's Municipal Golf Fund roll up level and additional funding will be budgeted in the Fiscal Year 2024 budget.

ADMINISTRATIVE CHANGE ORDER: An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

DVIN: A waiver of the goal for Business Equity subcontracting requirements was requested, and approved by the DVIN, in accordance with the applicable Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

The Purchase Agreements shall begin upon approval of this M&C and shall end one year from that date.

RENEWAL TERMS: This agreement may be renewed for up to four (4) additional, automatic one-year terms. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation, funds are available in the current operating budget, as previously appropriated, and upon adoption of the Fiscal Year 2024 Budget by the City Council, funds will be available in the Fiscal Year 2024 Operating Budget, as appropriated, in the Municipal Golf Fund. Prior to an expenditure being incurred, the Park and Recreation Department has the responsibility to validate the availability of funds.

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Expedited