

Mayor and Council Communication

DATE: 09/10/19

M&C FILE NUMBER: M&C 19-0134

LOG NAME: 25ZAMBONI EQUIPMENT

SUBJECT

Authorize Execution of Equipment Lease Agreement with Multipurpose Arena Fort Worth d/b/a Trail Drive Management Corp. for the Lease of Zamboni Equipment (COUNCIL DISTRICT 7)

RECOMMENDATION:

It is recommended that the City Council authorize the City Manager to execute an Equipment Lease Agreement with Multipurpose Arena Fort Worth d/b/a Trail Drive Management Corp. in an annual amount of \$10.00 for the lease of Zamboni Equipment and authorize agreement to expire October 31, 2023, with the option to renew for one additional term of five (5) years.

DISCUSSION:

Multipurpose Arena Fort Worth d/b/a Trail Drive Management Corp. leases and operates Dickies Arena from the City pursuant to that certain Arena Complex Lease Agreement dated February 17, 2017 (City Secretary Contract No. 48733), the City has concluded, and the City Council has found, that the Multipurpose Arena Fort Worth d/b/a Trail Drive Management Corporation's operation of the Arena will benefit the City and its residents.

In connection with its lease and operation, Multipurpose Arena Fort Worth has requested the lease of two (2) City-owned Zambonis (the Equipment), which are machines used for ice resurfacing associated with, among other things, ice skating shows and ice hockey games, for use at various events it anticipates will be held at the Arena. The Equipment was purchased by the City in the late 1990s for ice hockey games and ice shows that were held at the Fort Worth Convention Center and the Will Rogers Memorial Center. Since 2014, the Equipment has not been utilized and has been in storage. The City has determined that leasing this Equipment to Multipurpose Arena Fort Worth will assist in facilitating operations at the Arena.

In accordance with the recommended Equipment Lease Agreement (Lease), Multipurpose Arena Fort Worth will keep the Equipment in good condition and will be responsible for all necessary maintenance and repairs to the Equipment at the company's sole cost and expense.

Multipurpose Arena Fort Worth will also use the Equipment only in connection with events held at the Arena and will not use, transport or store the Equipment at any location other than that covered by the Arena Lease unless expressly permitted by the City in writing.

Because this transaction will benefit the City and its residents and help achieve the public purposes of increasing visitorship and tourism and the offerings available to residents through expanded public events space, sporting events, and entertainment offerings that are anticipated to be financially self-sustaining, therefore lessening the burden of the City, it is recommended that the Equipment be leased for \$10.00 annually. The City Council hereby finds that these public purposes can be achieved pursuant to the Lease and that adequate controls within the Lease will help ensure achievement of these public purposes.

Upon City Council approval, this Agreement shall commence on the date upon which both parties have executed it and expire October 31, 2023. Multipurpose Arena Fort Worth d/b/a Trail Drive Management Corp. will have the option to renew this Lease for an additional term of five (5) years by providing written notice to the City within one hundred eighty (180) calendar days prior to expiration of the Term.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation the Public Events Department has the responsibility for the collection and deposit of funds due to the City under this Agreement. Revenue from this agreement is estimated at \$10.00 annually.

Submitted for City Manager's Office by: Jay Chapa 5804

Originating Business Unit Head: Richard Zavala 2501

Additional Information Contact: James Horner 2505