City of Fort Worth, Texas

Mayor and Council Communication

DATE: 09/26/23 **M&C FILE NUMBER**: M&C 23-0839

LOG NAME: 80INFRASTRUCTURE CONSTRUCTION AGREEMENTS WITH FWZA

SUBJECT

(CD 9) Authorize Execution of Two Infrastructure Construction Agreements with the Fort Worth Zoological Association to Fulfill the City of Fort Worth's Initial Obligation to Construct, Maintain, and Repair Certain Public Infrastructure within the Fort Worth Zoo; Adopt Appropriation Ordinances; and Amend Fiscal Years 2023-2027 Capital Improvement Program (2022 Bond Program)

RECOMMENDATION:

It is recommended that the City Council:

- 1. Authorize execution of two Infrastructure Construction Agreements with the Fort Worth Zoological Association to fulfill the City of Fort Worth's initial obligation to construct, maintain, and repair certain public infrastructure within the Fort Worth Zoo;
- 2. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Tax Note 2021 C Fund by increasing estimated receipts and appropriations in the Zoo Predator Ridge project (City Project No. 104926) in the amount of \$340,072.72 and decreasing estimated receipts and appropriations in the Fort Worth Zoo Utility Infrastructure Programmable project (City Project No. PB0012) by the same amount:
- 3. Adopt the attached appropriation ordinance adjusting appropriations in the 2022 Bond Program Fund by increasing appropriations in the Zoo Predator Ridge project (City Project No. 104926) in the amount of \$612,357.17 and decreasing appropriations in the Fort Worth Zoo Utility Infrastructure Programmable project (City Project No. PB0012) by the same amount; and
- 4. Amend the Fiscal Years 2023-2027 Capital Improvement Program.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to authorize two Infrastructure Construction Agreements (ICA) with the Fort Worth Zoological Association (FWZA): The Infrastructure Improvements ICA with American Rescue Plan Act (ARPA) funds and The Predator Ridge ICA. These ICAs will fulfill the City's obligation to construct, maintain, and repair certain public infrastructure within the Fort Worth Zoo (Zoo) pursuant to the Management Services Agreement (MSA) with FWZA (City Secretary Contract No. 58824) (M&C 22-1062, December 13, 2022) collectively defined as "Capital Improvements". The MSA with FWZA contains a list of identified Capital Improvements - deferred facility maintenance projects or other capital expenditures.

Due to FWZA's management presence on-site, it was determined that the most efficient way to accomplish the City's obligation is to provide funding to the FWZA through two ICAs so that FWZA can obtain its own contractors and oversee the work.

Infrastructure Improvements ICA with ARPA Funds: The City will reimburse FWZA for an amount up to \$1,500,000.00 from the American Rescue Plan Act (ARPA) Funds. On June 22, 2021 (M&C 21-0445), City Council adopted a framework of the City's priorities for ARPA funds for which \$1,500,000.00 is designated to fund four (4) Capital Improvements project at the Zoo. Infrastructure Improvements ICA with ARPA Funds project list is shown below:

project Number	Project	ARPA
104478	Broadband Upgrade	\$ 50,000.00
104478	Parking Lot Repair and Maintenance	\$ 195,000.00
104478	Bridge Repair and Maintenance	\$ 160,000.00
104478	Zoo Creek Erosion Control	\$ 1,095,000.00
TOTALS		\$1,500,000.00

FWZA will be responsible for submitting detailed expenditure reports quarterly for the ARPA funded projects: Broadband Upgrade, Parking Lot Repair and Maintenance, Bridge Repair and Maintenance and Zoo Creek Erosion Control, and the City Project Manager will be responsible for coordinating the receipt of those reports from FWZA. The quarterly expenditure reports are required to be submitted to the City Financial Management Services grants financial reporting coordinator no later than the 15th of January, April, July and October for the prior quarter's

expenditures. The annual State and Local Fiscal Recovery Funds (SLFRF) Performance Report is required to be submitted no later than July 15th of each year until funds are fully expended. Due to the federal funding being used for the Broadband Upgrade, Parking Lot Repair and Maintenance, Bridge Repair and Maintenance and Zoo Creek Erosion Control projects, FWZA must complete the competitive bidding process in order to hire contractors for the completion of these projects.

Predator Ridge ICA: The City will reimburse FWZA for an amount up to \$952,429.89 from the 2021 Tax Notes and 2022 Bond Funds for the construction of the Predator Ridge project at the Zoo.

In order to administratively track the spending of all funding sources in one project, appropriation ordinances are needed to move appropriations from the programmable project to the static project. Approval of recommendations 2 and 3 would adjust appropriations between a programmable project (PB0012 Zoo Utility Infrastructure) and convert the Zoo Predator Ridge project (City Project No. 104926) into a static capital project.

This action will amend the 2023-2027 Capital Improvement Program. This action is needed as funding for the Zoo Predator Ridge project (City Project No. 104926) includes funding from multiple sources. The adjustment between the programmable project and static project is shown below:

Fund	Project	Authority	Appropriation	Adjustment	Revised Budget
	104926 Zoo Predator Ridge	This M&C	\$0.00	\$340,072.72	\$340,072.72
Bond	104926 Zoo Predator Ridge	This M&C	\$0.00	\$612,357.17	\$612,357.17
TOTALS			\$0.00	\$952,429.89	\$952,429.89

On April 13, 2021, M&C 21-0265 Series 2021C Tax Notes were issued "in the other identified projects of the Tax Note 2021C Fund" which included utility relocations related to construction improvements to the Fort Worth Zoological Association (FWZA) Elephant Springs Phase II project in the amount of \$1,330,000.00. The Elephant Springs project is complete and the gift deed was accepted on January 11, 2022, M&C 22-0050. There is a balance of \$340,072.72 in the Tax Note 2021C Fund for FWZA utility reimbursements.

The 2022 Bond program included \$3,500,000.00 Fort Worth Zoo – Utility Infrastructure

Project Description: Design and construction of utility infrastructure required to support new facilities being constructed at the City-owned Fort Worth Zoo.

Future FWZA projects include Exploration & Learning Center (2024, \$3,375,000.00) and Forests & Jungles (2025, \$3,375,000.00).

The Zoo Predator Ridge project is included in the 2022 Bond Program. The City's Extendable Commercial Paper (ECP) (M&C 22-0607; Ordinance 25675-08-2022) provides liquidity to support the appropriation. Available resources will be used to make any interim progress payments until debt is issued. Once debt associated with a project is sold, debt proceeds will reimburse the interim financing source in accordance with the statement expressing official intent to reimburse what was adopted as part of the ordinance canvassing the bond election (Ordinance 25515-05-2022).

Business Equity – Compliant to the BE Ordinance, Section 20-368(a) and (d), DVIN does not set goals for ICA and federally-funded projects when the City's participation in the agreement is less than \$1,000,000.00 in City Funds.

The Zoo is located in COUNCIL DISTRICT 9 and is classified as a Special-Use Facility that serves on a City-wide and regional basis.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: Fort Worth Zoological Association

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current capital budget, as previously appropriated, in the Grants Cap Projects Federal Fund for the ARPA FWZoo Repair/Maint/Brdbnd project and in the Fort Worth Zoo-Utility Infrast programmable project within the Tax Note 2021 C and 2022 Bond Program Funds and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the Tax Note 2021 C and 2022 Bond Program Funds for the Zoo Predator Ridge project to support the above recommendations and execution of the agreements. Prior to an expenditure being incurred, the Park & Recreation Department has the responsibility of verifying the availability of funds. ARPA is an advance grant.

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