

Mayor and Council Communication

DATE: 08/08/23

M&C FILE NUMBER: M&C 23-0646

LOG NAME: 25PED/ARPACAPITALFUNDINGSWAP_104227

SUBJECT

(ALL) Find that the 2017A and 2017B Special Tax Revenue Bond Projects are Substantially Complete; Adopt Ordinances Adjusting Appropriations in Certain Identified Funds for Public Events Capital Projects; and Amend the Fiscal Years 2023-2027 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Determine that all bond projects associated with the 2017A and 2017B Special Tax Revenue Bonds are substantially complete and reprogram residuals in the Venue Capital Project Fund to other eligible purposes at the venue;
2. Adopt the attached ordinance reallocating receipts and appropriations in the Venue Capital Project Fund by decreasing the Chiller Renovation (Venue Project) project (City Project No. 101095) in the amount of \$30,146.56 and the Tech Enhancements (Venue Project) project (City Project No. 101096) in the amount of \$530,203.71 and increasing the WRMC Coliseum Concourse and Lobby Renovation project (City Project No. 104227) by the same total amount of \$560,350.27; and
3. Adopt the attached ordinance reallocating estimated receipts and appropriations in the Public Events Capital Fund by decreasing appropriations for ten (10) projects listed below for a combined total of \$6,743,063.00, increasing the WRMC Coliseum Concourse and Lobby Renovation project (City Project No. 104227) by \$6,243,649.73, and increasing receipts but not appropriations in the Unspecified-All Funds project (City Project No. UNSPEC) by \$499,413.27; and
4. Adopt the attached ordinance reallocating appropriations in the Grants Capital Projects Federal Fund by:
 - a. Decreasing appropriations in the WRMC Coliseum Concourse and Lobby Renovation project (City Project No. 104227) by \$7,875,000.00 and
 - b. Increasing estimated appropriations by the same total amount in the following projects as indicated:

WRMC Auditorium Roof Replcmnt (CPN 100238)	\$ 896,978.08
Amon Carter Door Repair (CPN 101437)	\$ 263,548.00
Richardson Bass System Upgrade (CPN 101740)	\$ 650,000.00
Justin Garage Ventilation Syst (CPN 102447)	\$ 146,256.00
WRMC Security Cameras (CPN 102511)	\$ 100,000.00
WRMC- Emergency Generator Enhan (CPN 102634)	\$ 150,000.00
WRMC Escalator Rip Replacement* (CPN 104044)	\$1,638,721.51
Portable Meeting Room Chairs* (CPN 104369)	\$1,600,000.00
Coliseum Transformer Replace* (CPN 104371)	\$ 878,828.88
WRMC Stall Panel Replacement* (CPN 104397)	\$ 801,231.15
WRMC 2023 Facility Assessment* (CPN 104399)	\$ 349,436.38

5. Amend Fiscal Year 2023 Adopted Budget and Fiscal Years 2023-2027 Capital Improvement Program.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to swap funding sources among various Public Events capital projects.

Approval of this M&C will take \$7,875,000.00 in American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF) that were previously appropriated for use on the lobby and concourse renovations at the Will Rogers Memorial Center (WRMC) and move those dollars to other Public Events capital projects. Dollars that were previously appropriated to those other capital projects and residual 2017A and 2017B special tax revenue bond proceeds would in turn be allocated to the WRMC Coliseum Concourse and Lobby Renovation project.

Prior Actions

On September 27, 2022, the City Council appropriated \$7,875,000.00 in ARPA SLFRF for capital projects at the Will Rogers Memorial Center Coliseum (M&C 22-0789). The original plan had these ARPA funds divided between a renovation of the lobby and concourse (\$1.925M) and the replacement of air handling units (\$5.95M) at the coliseum.

Due to rapid cost increases, it was quickly determined that doing both projects would be unfeasible. After soliciting feedback from the venue's customers, staff proposed consolidating the entirety of the ARPA funding for the customer-facing improvements in the lobby and concourse, and Council approved that reallocation on February 14, 2023 (M&C 23-0114). That M&C also allocated an additional \$625,000.00 from the Public Events Capital Fund to the project, bringing the WRMC Coliseum Concourse and Lobby Renovation project appropriation to a total project budget of \$8.5M.

Further Developments

Negotiations are currently underway to place the responsibility for the WRMC Coliseum Concourse and Lobby Renovation Project with Event Facilities Fort Worth (EFFW), a not-for-profit organization that has historically partnered with the City on WRMC capital projects, like the renovation of Cattle Barns 1&2 and the construction of the Tower Promenade. The goal of an agreement with EFFW would be to bring a higher level of efficiency to WRMC capital projects, reflecting the City's commitment to maintaining and improving the WRMC complex. The use of Federal funds, like ARPA, require a level of documentation and process that goes beyond the intent of the proposed agreement with EFFW. In an effort to maximize the efficiency of the proposed private project management, staff recommends moving the ARPA dollars to City-managed projects and taking the less-restricted funds that were previously appropriated to those projects and moving them to the WRMC Coliseum Concourse and Lobby Renovation Project.

The budgeted appropriations for the other identified City-managed projects total \$6,743,063.00. Staff proposes taking \$6,243,649.73 of that amount and allocating it to the WRMC Coliseum Concourse and Lobby Renovation project and the balance of \$499,413.27 to receipts, but not appropriations, in the unspecified project for future programming, appropriation, and use. The remaining need for the WRMC Coliseum Concourse and Lobby Renovation project after this shift will be \$1,631,350.27. Staff proposes augmenting that amount with \$560,350.27 in available residuals from the now-completed venue projects as detailed below.

With approval of the M&C and the attached ordinances as proposed, the remaining funds required for the WRMC Coliseum Concourse and Lobby Renovation project would be \$1,071,000.00, and those funds are requested as part of Public Events Department's proposed FY2024 capital budget.

*NOTE – With the ARPA funds exceeding the previous appropriations for other existing projects, staff is proposing additional funding for four projects - WRMC roof replacement, Richardson Bass sound system, WRMC emergency generator enhancement, and WRMC stall panel replacement. Three of these projects (the roof, sound system, and the generator) were previously receiving an allocation of ARPA dollars; so, these are additional grant funds. The stall panel replacement project and others listed with an asterisk (WRMC escalator replacement, meeting room chairs, WRMC coliseum transformer, WRMC 2023 facility assessment and FWCC west roof) are receiving their first allocation of ARPA funds via this M&C. The projects with revised amounts are noted in the chart below.

2017A and B Revenue Bonds (Venue Projects Funds)

In 2014, the City Council designated the multipurpose arena at Harley and Gendy, its adjacent support facilities, and related infrastructure as a venue. On June 6, 2017, M&C G-19020 approved the issuance and sale of 2017A and 2017B special tax revenue bonds that provided funding for the arena and for improvements to adjacent support facilities throughout the campus of the Will Rogers Memorial Center, including \$1,000,000.00 for the Chiller Renovation project, and \$2,000,000.00 to the Technology Enhancements project. Those projects have now reached completion and have a combined total of \$560,350.27 in remaining residuals.

Because the entire WRMC campus is part of the venue, using these residuals for the WRMC Coliseum Concourse and Lobby Renovation project would be consistent with the approved purposes for which the bonds were originally issued. In approving this M&C, the City Council would be formally declaring all of the projects under the 2017A and 2017B bonds substantially complete and reprogramming the residuals in furtherance of the WRMC Coliseum Concourse and Lobby Renovation Project.

Existing and Future Public Events Capital Project Funds:

The following existing capital projects are recommended for budget adjustments for the purpose of replacing ARPA funding in the WRMC Coliseum Concourse and Lobby Renovation project:

Project Number	Project_Description	PED Funds Decrease:	
		Projects/ Bond/ FY 24 CIP	PED Funds Redistribution
100238	WRMC Auditorium Roof Replcmnt	\$ 625,978.08	\$ 896,978.08
101437	Amon Carter Door Repair	\$ 263,548.00	\$ 263,548.00
101740	Richardson Bass System Upgrade	\$ -	\$ 650,000.00
102447	Justin Garage Ventilation Syst	\$ 146,256.00	\$ 146,256.00
102511	WRMC Security Cameras	\$ 100,000.00	\$ 100,000.00
102634	WRMC- Emergency Generator Enhan	\$ -	\$ 150,000.00
104044	WRMC ESCALATOR RIP REPLACEMENT*	\$ 1,638,721.51	\$ 1,638,721.51
104369	Portable Meeting Room Chairs*	\$ 1,600,000.00	\$ 1,600,000.00
104371	Coliseum Transformer Replace*	\$ 878,828.88	\$ 878,828.88
104397	WRMC Stall Panel Replacement*	\$ 740,294.15	\$ 801,231.15
104399	WRMC 2023 Facility Assessment*	\$ 349,436.38	\$ 349,436.38
104994	FWCC West Roof Repair*	\$ 400,000.00	\$ 400,000.00
104227	WRMC Coliseum Concourse and Lobby Renovation		\$ 6,243,649.73
UNSPEC Balance of PED Funds			\$ 499,413.27
Subtotal		\$ 6,743,063.00	\$ 6,743,063.00
101095	Chiller Reno. (Venue Project)	\$ 30,146.56	
101096	Tech Enhancements (Venue Project)	\$ 530,203.71	

*Projects newly designated as ARPA funded moving forward.

WRMC Coliseum Concourse and Lobby Renovation Funding By Source

Venue Capital (30206)	\$ (560,350.27)
New Capital FY24 CIP/Replaced by ARPA	\$ (1,071,000.00)
Existing PE Capital (30205)	\$ (6,243,649.73)
	\$ (7,875,000.00)

Adoption of the attached ordinances adjusts appropriations between projects but does not increase total appropriations in any of the three funds. Funding is available in the capital projects of the Public Events Capital Fund as approved in connection with Ordinance 25851-11-2022, Ordinance 25528-05-2022, Ordinance 25528-05-2022, and Ordinance 25773-09-2022 Section 7. page 26 Capital Improvements, and available in the Grants Cap Projects Federal Fund as approved in connection with Ordinances 25776-09-2022 and 25976-02-2023. New Capital is proposed as included in the FY2024 CIP budget.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the specified capital projects within the Public Events Capital, Venue Capital Project and Grants Cap Projects Federal Funds and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the Public Events Capital, Venue Capital Project and Grants Cap Projects Federal Funds for the specified capital projects related to the funding swap. Prior to an expenditure being incurred, the Public Events Department has the responsibility of verifying the availability of funds.

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Expedited