

Mayor and Council Communication

DATE: 06/28/22

M&C FILE NUMBER: M&C 22-0503

LOG NAME: 25PED_CAP_PRJ_104045_FWCCTABLES

SUBJECT

(CD9) Authorize an Amendment to the Contract Agreement with Wilson Bauhaus Interiors, LLC to Increase the Spending Authority by the Amount of \$1,625,000.00 for a New Annual Amount Up to \$3,625,000.00, Adopt Appropriation Ordinance Increasing Estimated Receipts and Appropriations in the Public Events Capital Fund in the amount of \$1,625,000.00, from Available Public Events Capital Funds, for Table Replacement at the Fort Worth Convention Center and Amend the Fiscal Year 2022-2026 Public Events Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize an amendment to the Contract Agreement with Wilson Bauhaus Interiors, LLC to increase the spending authority by the amount of \$1,625,000.00 for a new annual amount up to \$3,625,000.00;
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Public Events Capital Fund in the amount of \$1,625,000.00, from available funds, for the purpose of funding the Fort Worth Convention Center Table Replacement project (City Project No. 104045); and
3. Amend the Fiscal Year 2022-2026 Public Events Capital Improvement Program.

DISCUSSION:

This Mayor and Council Communication (M&C) appropriates capital funding in the Public Events Capital Fund from available funds and amends the FY2022-2026 Public Events Capital Improvement Plan (Ordinance 25073-09-2021) for the replacement of tables at the Fort Worth Convention Center (City Project No. 104045). Tables will be procured using the City's existing furniture vendor contract with Wilson Bauhaus Interiors, LLC (M&C 22-0211 approved March 29, 2022) for \$2,000,000.00 for the purchase, design, and installation of furniture for citywide needs. Therefore, this M&C seeks to increase the annual spending authority by the amount of \$1,625,000.00 for a new annual amount up to \$3,625,000.00.

As part of the Economic Development Agreement between the City and the Omni Hotel, the Fort Worth Convention Center (FWCC) facility must be maintained at its current level. Although repair and maintenance initiatives for the facility have been minimal during the financial recovery from the pandemic, planned repair and maintenance projects of the aging facility are necessary including replacement / modernization of tables, chairs, and concourse carpet.

The continuously increasing demand for the use of the FWCC has resulted in more than normal wear and tear on banquet tables. The majority of the existing table inventory has exceeded its life expectancy of 10-15 years. Additionally, the tables are bulky and extremely heavy, making transporting them difficult and inefficient. Many of the tables are broken or unserviceable and require cross-leveling parts to meet current demand.

This project to modernize and replace the current table inventory at the FWCC includes various sizes and shapes of tables, replacement parts and carrier systems. The new carrier system allows staff to move volumes of tables safer and more efficiently while also improving the overall customer experience making the FWCC a leading venue of choice. The current ancillary rental fee for a (1) table is \$15.00. With the new inventory, it is anticipated that a future rental rate increase of \$15.25 to \$16.00 (1.75%-6%) is feasible for generating additional revenues. This purchase will also increase the inventory in some table sizes for additional client options and the inventory deemed damaged or beyond repair for use at the FWCC, but viable for other uses, can be offered to another city department in need or auctioned to offset the cost of this purchase.

Since the furniture industry has been affected by supply chain disruptions, increases in demand, increase in fuel costs, transportation challenges, and material/parts and labor shortages, unprecedented delays are resulting in longer than normal delivery times. This order has a four to six-month lead time from order to initial delivery.

The current project budget of \$1,625,000.00 includes the following breakdown:

Staff Cost:	\$5,710.00
Contractor (Tables/Delivery):	\$1,501,290.00
<u>Purchase/Installation/Storage Contingency:</u>	<u>\$118,000.00</u>
Project Total:	\$1,625,000.00

Funding is available for appropriation in the Unspecified-All Funds project of the Public Events Capital Fund for the purpose of funding the FWCC Table Replacement project.

Funding for this project was not included in the FY2022-2026 Capital Improvement Program due to uncertainty, in early 2021 when the CIP was developed, of the financial stability to support capital outlays during the continued recovery from the pandemic. The action in this M&C will amend

the FY2022-2026 Capital Improvement Program as approved in connection with Ordinance 25073-09-2021.

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 Unspecified - All Funds within the Public Events Capital Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the Public Events Capital Fund for the FWCC Table Replacement project to support the approval of the above recommendations and award of the contract. Prior to an expenditure being incurred, the Public Events Department has the responsibility of verifying the availability of funds.

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