

Mayor and Council Communication

DATE: 11/12/24

M&C FILE NUMBER: M&C 24-0976

LOG NAME: 25FORT WORTH CONVENTION CENTER EXPANSION PHASE 2

SUBJECT

(ALL) Authorize Execution of Amendment No. 3 to the Professional Services Agreement with Broadus & Associates, Inc. in the Amount Up to \$1,200,000.00 for a Total Contract Value of \$4,169,475.00, and Amendment No.4 to the Professional Services Agreement with Thompson, Ventulett, Stainback & Associates, Inc., in the Amount Up to \$7,144,042.00 for a Total Contract Value of \$13,441,818.00, for Design and Construction Administration Services, and Authorize Execution of Amendment No.3 Construction Manager at Risk Contract with Hunt/Byrne/Smith, a Joint Venture, in the Amount Up to \$5,000,000.00, for a Total Contract Value of \$86,752,135.00, and Adopt Appropriation Ordinances and Amend the Fiscal Years 2025 - 2029 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of amendment No.3 to the professional services agreement with Broadus & Associates, Inc., in the amount not to exceed \$1,200,000.00 for a total contract value of \$4,169,475.00, for project management services;
2. Authorize execution of amendment No.4 to the professional services agreement with Thompson, Ventulett, Stainback & Associates, Inc., in the amount not to exceed \$7,144,042.00 for a total contract value of \$13,441,818.00, for design and construction administration services;
3. Authorize execution of amendment No.3 construction manager at risk contract with Hunt/Byrne/Smith, a Joint Venture, in the amount not to exceed \$5,000,000.00, for a total contract value of \$86,752,135.00;
4. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Culture and Tourism Fund, in the amount of \$7,990,040.00, by decreasing appropriations in the contribution to fund balance in the amount of \$7,009,960.00, by increasing use of fund balance in the amount \$7,990,040.00, and increasing capital interfund transfers out in the amount of \$15,000,000.00, for the purpose of transferring to the Culture and Tourism Capital Projects Fund;
5. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Culture and Tourism Capital Projects Fund, in the amount of \$15,000,000.00, transferred from the Culture and Tourism Fund, for the purpose of funding the FWCC Expansion & Project Management project (City Project No. 102582); and
6. Amend the Fiscal Year 2025 Adopted Budget and Fiscal Years 2025-2029 Capital Improvement Program.

DISCUSSION:

The purpose of this Mayor and City Council Communication (M&C) is to recommend that the City Council authorize amendments to three contracts associated with Phase 2 of the expansion of the Fort Worth Convention Center and adopt appropriation ordinances.

The expansion project is being accomplished in two phases. The Phase 1 includes the construction of new state-of-the-art food & beverage facilities, demolition of the east annex, straightening of Commerce Street (to create a site for a future convention hotel) and building new covered loading docks. Construction for Phase 1 started in summer 2023 and it is approximately fifty percent complete by schedule. In the spring of 2024 voters and Council approved an increase in the hotel occupancy tax rate (M&C 24-0312) to fund Phase 2 of the expansion. This second phase will replace the arena with additional exhibit halls, ballroom, meeting rooms, and refurbish the existing facility. To accomplish this project the City has engaged the services of a Project Manager (Broadus & Associates, Inc.), a Design Team (Thompson, Ventulett, Stainback & Associates, Inc.), and a Construction Contractor (Hunt/Byrne/Smith, a Joint Venture).

Project Management: Broadus & Associates, Inc. was selected to provide project management services for the expansion of the Fort Worth Convention Center through a competitive process and on November 30, 2021, City Council authorized the execution of a professional services agreement, in the amount of \$2,313,927.00 (M&C 21-0934). Staff administratively executed amendment No.1 to the professional services agreement, in the amount of \$99,390.00, to provide additional professional services. Council authorized Amendment No.2, in the amount of \$556,158.00, provided project management services for the related study the Fort Worth Water Gardens (M&C 23-0930). With the execution of amendment No.3, the total value of the professional services agreement will be \$4,169,475.00.

Design Team: Thompson, Ventulett, Stainback & Associates, Inc., partnered with Bennet Partners, Inc., was selected through a competitive process to provide design and construction administration services associated with the expansion of the Fort Worth Convention Center. Council approved an initial professional services contract to provide programing for the project in September of 2022 (M&C 22-0695). This contract has been amended three times to provide required services. With the execution of amendment No.4, design and construction administration services for Phase 2 will be provided, and the total value of the professional services agreement will be \$13,441,818.00.

Construction Contractor: A Construction Manager at Risk (CMAR) contractor was selected through a competitive process. On November 29, 2022, City Council authorized (M&C 22-0971) the execution of a Construction Manager at Risk (CMAR) contract with Hunt/Byrne/Smith, a Joint Venture, in an amount not to exceed of \$30,000,000.00. On September 12, 2023, City Council authorized (M&C 23-0768) the execution of Amendment No.1 in an amount of \$43,000,000.00. On September 12, 2023, City Council authorized (M&C 23-0768) Amendment No.2 in an amount of \$8,725,135.00. With the execution of amendment No.3, construction of specific portions of the project will be provided, and the total

value of the CMAR Contract will be \$86,725,135.00.

Budget - The current project costs are described in table below:

FWCC Expansion Phase 1 & Phase 2 (Partial)	Cost
Project Management Fees	\$4,169,475.00
Design Fees	\$13,441,818.00
Construction Cost	\$86,725,135.00
Administrative Costs (Staff Time, ITS, AV, Security, Public Art, Utilities, FF&E, Moving Costs, Contingencies)	\$6,636,253.12
TOTAL	\$110,972,681.12

The current budget represents Phase 1 and portions of Phase 2. Project Management and Design Fees are for the anticipated efforts through the completion of the project.

Funding - The project was initially funded through a \$52,000,000.00 ARPA Grant funds (M&C 21-0934) and \$43,000,000.00 in 2023 Combination Tax and Revenue Certificates of Obligation bonds (M&C 23-0250). In order to award this agreement, the Public Events Department recommends using existing Culture & Tourism (C&T) fund balance as the interim capital advance appropriation and as the source to make progress payments until the sale of the 2025 Certificates of Obligation, at which time such funding will replace the advanced capital funding and the C&T fund balance will be restored in its full amount. As designs and plans are completed, the construction contractor will provide estimates and the construction cost will increase, there will be future M&Cs before Council. It is anticipated that a final project budget will be in the range of \$600,000,000.00 and \$700,000,000.00. Additional funding will be appropriated in the project on a future M&C to cover all estimated project costs.

Waiver of Building Permit Fees - In accordance with the City Code of Ordinances, Part II, Chapter 7-1 Fort Worth Building Administrative Code, Section 109.2.1, Exception 2; "Work by non-City personnel on property under the control of the City of Fort Worth shall be exempt from the permit fees only if the work is for action under a contract that will be or has been approved by City Council with notes in the contract packages stating the fee is waived."

Business Equity Office - Broaddus & Associates agrees to maintain its initial M/WBE commitment of 27% that it made on the original agreement and extend and maintain that same M/WBE commitment of 27% to all prior amendments up to and inclusive of this Amendment No. 3. Therefore Broaddus & Associates remains in compliance with the City's M/WBE Ordinance and attests to its commitment by its signature on the acceptance of Previous M/WBE Commitment form executed by an authorized representative of its company.

Business Equity Office- Thomson, Ventulett, Stainback & Associates, Inc. agrees to maintain its initial M/WBE commitment of 15% that it made on the original agreement and extend and maintain that same M/WBE commitment of 15% to all prior amendments up to and inclusive of this Amendment No.4. Therefore Thomson, Ventulett, Stainback & Associates, Inc. remains in compliance with the City's M/WBE Ordinance and attests to its commitment by its signature on the Acceptance of Previous M/WBE Commitment form executed by an authorized representative of its company.

The Fort Worth Convention Center is located in COUNCIL DISTRICT 9 but will benefit all council districts.

The actions in this M&C will amend the Fiscal Year 2025 Adopted Budget as approved in connection with the Ordinance 27107-09-2024 effecting the budget of the municipal government of the City of Fort Worth for the ensuing Fiscal Year beginning October 1, 2024, and ending September 30, 2025, Section 2. Special Revenue Funds and Section 7. Capital Improvements.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Culture & Tourism Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the Culture & Tourism Cap Projects Fund of the ARPA FWCC Expansion & Prj Mgmt project to support the execution of the contract and agreements. Prior to an expenditure being incurred, the Property Management and Public Events Department have the responsibility of verifying the availability of funds.

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