

Mayor and Council Communication

DATE: 11/30/21

M&C FILE NUMBER: M&C 21-0935

LOG NAME: 21ARPA AND PEG FUNDING - FUTURE CITY HALL

SUBJECT

(ALL) Approve Allocation of Up to \$15,000,000.00 in American Rescue Plan Act Funding and \$8,500,000.00 in Cable Public, Educational, and Governmental Funds for Future City Hall and Council Chamber Improvements, Adopt Attached Appropriation Ordinances and Amend the Fiscal Years 2022-2026 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Approve the allocation of up to \$15,000,000.00 from the American Rescue Plan Act, Subtitle M (Coronavirus State and Local Fiscal Recovery Funds) for a transfer to the Grants Capital Projects Federal Fund for the Future City Hall project (Original M&C 20-0910) for purchase of information technology, security technology, and audio/video equipment to support collaboration of City services to better serve the needs of Fort Worth residents in their development, permitting, and related needs with the City;
2. Approve the allocation of up to \$8,500,000.00 from Public, Educational, and Governmental (PEG) dollars previously received from cable companies for use in the Future City Hall project (Original M&C 20-0910) for purchase of information technology and audio/video equipment and supporting infrastructure to facilitate cablecasting from the new City Hall and Council Chamber;
3. Adopt the attached ordinance adjusting receipts and appropriations in the General Capital Projects Fund by (i) decreasing receipts and appropriations (A) by \$668,758.46 in the Public Education and Government project (City Project No. 100536), and (B) by \$300,000.00 in the Public Education and Government programmable project (City Project No. P00023) and (ii) increasing receipts and appropriations for a transfer to the Cable TV Public Education, Governmental Fund by \$968,758.46 for the New City Hall project;
4. Adopt the attached ordinance adjusting estimated receipts and appropriations in the Cable TV Public, Educational, Governmental Fund by a total of \$8,500,000.00, consisting of:
 - (i) increasing estimated receipts and appropriations in the City Hall Move 100 Energy Way project (City Project No. 103133) by \$968,758.46, transferred from the General Capital Projects Fund;
 - (ii)(A) decreasing estimated receipts and appropriations in the Public Education and Government programmable project (City Project No. P00023) by \$772,431.97;
 - (ii)(B) increasing estimated receipts and appropriations in the City Hall Move 100 Energy Way project (City Project No. 103133) by \$772,431.97;
 - (iii)(A) decreasing estimated receipts and appropriations in the NCH Council Chambers Media project (City Project No. 103660) by \$1,000,000.00;

(iii)(B) increasing estimated receipts and appropriations in the City Hall Move 100 Energy Way project (City Project No. 103133) by \$1,000,000.00; and

(iv) increasing estimated receipts and appropriations in the City Hall Move 100 Energy Way project (City Project No. 103133) by \$5,758,809.57 from available funds.

5. Adopt attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Capital Projects Federal Fund, transferred from the Grants Operating Federal Fund, in the amount of \$15,000,000.00 for the purpose of funding the City Hall Move 100 Energy Way project (City Project No. 103133); and
 6. Amend the Fiscal Years 2022-2026 Capital Improvement Program.
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DISCUSSION:

The purpose of this Mayor and City Council Communications (M&C) is to allocate funding for information technology and audio/visual improvements for the New City Hall project (City Hall Move 100 Energy Way project (City Project No. 103133)).

Staff recommends allocating up to \$15,000,000.00 from the American Rescue Plan Act (ARPA), Subtitle M (Coronavirus State and Local Fiscal Recovery Funds) for a transfer to the Grants Capital Projects Federal Fund and appropriating and reappropriating a total of \$8,500,000.00 in public, educational, and governmental (PEG) funding previously received from cable companies.

Use of the ARPA dollars would be focused on the purchase of information technology, security technology, and audio/video (AV) equipment to provide facility security and to improve service to Fort Worth residents in their development, permitting, and related needs. The PEG dollars would be expended for information technology and AV equipment and supporting infrastructure to facilitate cablecasting meetings and other events from the new City Hall and Council Chambers.

On December 15th, 2020, the City Council authorized the acquisition of the former Pier 1 building, located at 100 Energy Way, for use as the future City Hall (M&C 20-0910). On June 22, 2021, the City Council authorized execution of Amendment No. 1 to the professional services agreement with the Athenian Group, LLC, for multi-year project management services associated with the relocation of City Hall to 100 Energy Way (M&C 21-0429). The Athenian Group, LLC has conducted detailed assessment of the departments and functions associated with the relocation. They have provided a written program and illustrated diagrams to make recommendations regarding what departments would move and where they would be located at the future City Hall.

On August 12th, 2021, the Athenian Group and the Property Management Department issued a Request for Qualifications, to select an architect and engineering team to provide design and construction administration services for the construction required to remodel 100 Energy Way and make it suitable for use as Fort Worth's City Hall. Statements of Qualifications (SOQs) were due September 9th, 2021. The City received 11 SOQs from qualified architectural firms. The selection committee included representatives from the City Manager's Office, City Hall Steering Committee, Property Management Department, Diversity, Inclusion Business Equity Office, and the Athenian Group. After reviewing the SOQs, the committee met on September 17th, 2021, to selected 4 of the 11 firms for interviews based on their rankings in a qualifying matrix. The interviews took place September 24th, 2021. On November 30th, the City selection panel recommended BOKA Powell, LLC for this authorization for Architecture and Engineering services.

Estimated Costs:

The overall budget for the project is as follows, inclusive of project management and design fees:

PROJECT COST	AMOUNT
Council Chambers New Construction	\$16,737,500.00
Floor Buildouts and Improvements	\$35,434,788.00
Parking Structure Addition	\$19,230,000.00
ITS, AV, and Security Elements	\$12,135,000.00
Building Infrastructure and Major Maintenance	\$2,328,500.00
Furniture, Fixtures, Equipment and Moving Costs	\$10,500,000.00
Project Contingency	\$14,643,158.00
Original Building Purchase	\$69,500,000.00
Total Project Cost	\$180,508,945.00

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."

Proposed Funding Sources:

The below represents the proposed funding sources for the aforementioned budget:

FUNDING SOURCE	TOTAL
2021 A Tax Notes	\$ 100,000,000.00
ARPA	\$ 15,000,000.00
PEG (Public, Educational, and Governmental Broadcast)	\$ 8,500,000.00
Operational	\$ 2,000,000.00
Unfunded* (Proposed Debt Issuance)	\$ 55,502,533.00

The ARPA Funds listed above are intended to be used for the below items in alignment with the City's definition of acceptable use:

- Building ITS design, procurement, installation, and commissioning
- Building Security related technology design, procurement, installation, testing, and commissioning
- Building Audio Visual and video conferencing design of unified solution, procurement, installation, testing, and commissioning

The PEG Funds listed above are intended to be used for the below items in alignment with the City's definition of acceptable use:

- Design, procurement, installation, testing, and commissioning of IT systems enabling public, educational, and governmental cablecast and broadcast programming
- Design, procurement, installation, testing, and commissioning of Audio Visual and Production Control systems enabling public, educational, and governmental cablecast and broadcast programming
- Design, procurement, installation, testing, and commissioning of infrastructure critical to cablecast and broadcast production for enabling public, educational, and governmental

broadcast programming

- Enabling and support of closed circuit broadcast within the council chambers, overflow areas, and remainder of Future City Hall building

To provide the \$8,500,000.00 in funding in the New City Hall project of the Cable TV Public, Educational, Governmental Fund, this M&C and the associated ordinances return previously allocated PEG funds from the General Capital Projects Fund, reallocate funding from a programmable project, and appropriate fund balance.

Funding for this project was not included in the FY2022-2026 Capital Improvement Program. The action in this M&C will amend the FY2022-2026 Capital Improvement Program as approved in connection with Ordinance 25073-09-2021.

ALLOCATION OF ARPA SUBTITLE M FUNDING

ARPA allows local governments to designate a portion of the funds they receive to replace revenue lost as a result of the COVID-19 public health emergency, with such funds eligible to be used for the provision of government services. (Section 603(c)(1)(C) of Title VI of the Social Security Act, added by ARPA). Treasury guidance construing the revenue recovery provision indicates such funds can generally be used for any purpose for which a city could use its own funds, subject to certain narrow exceptions that are not applicable here.

The Future City Hall project assists in the on-going recovery effort to strengthen the economic health of the City and is also a project for which other City funds could be expended, meaning it is an eligible use of revenue recovery dollars. Therefore, it was determined to be a qualified priority by City Management for ARPA funding as approved by the City Council.

The ARPA funding must be committed by the end of March 2022 and spent by the end of 2026. Staff foresees no issues with this project meeting that timeline.

The following chart reflects the current status for allocation of the City's ARPA funding under Subtitle M, including all M&Cs on the November 30, 2021 Council Agenda:

		M&Cs
Total CFW ARPA Subtitle M Funding	\$173,745,090.00	21-0445 362021 AMERICAN RESCUE PLAN
Allocations Approved To-Date	\$ 6,000,000.00	21-0794 25ARPA-VFW-TDG
Allocations Approved To-Date	\$ 1,000,000.00	21-0805 13ARPA- ADMINISTRATION
Allocations Approved To-Date	\$ 4,245,533.42	21-0810 17ARPA ALLOCATIONS EVANS & ROSEDALE REDEVELOPMENT

Allocations Approved To-Date	\$ 3,000,000.00	21-0809 17ARPA ALLOCATION CDFI FRIENDLY AMERICA
Allocations Approved To-Date	\$ 2,400,000.00	21-0811 17ARPA ALLOCATIONS TO UNTHSC TECHSTARS
Allocations Approved To-Date	\$ 10,100,000.00	21-0814 19ARPA ALLOCATIONS TO HOUSING AND HUMAN SERVICES PROJECTS
Allocations Approved To-Date	\$ 300,000.00	21-0820 25ARPA-WRMC MURAL PLAQUES
Pending Allocation	\$ 8,000,000.00	23ARPA-VACCINATIONS AND TESTING
Pending Allocation	\$ 4,560,000.00	25ARPA- PED_CAPITAL_RESTORE
Pending Allocation	\$ 52,000,000.00	21ARPA-FWCC EXPANSION FUNDING & PROJECT MANAGEMENT
Pending Allocation	\$ 15,000,000.00	21FUTURE CITY HALL ARPA AND PEG FUNDING (This M&C)
Remaining Unallocated Balance	\$ 67,139,556.58	

The new City Hall is to be located in COUNCIL DISTRICT 9 but will benefit ALL COUNCIL DISTRICTS.

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 available in the Grants Operating Federal Fund, General Capital Projects Fund and Cable TV PEG Fund, and upon approval of the above recommendations and adoption of the attached appropriation ordinances funds will be available in the Cable TV PEG and Grants Cap Projects Federal Fund for the City Hall Move 100 Energy Way project. Prior to an expenditure being incurred, the Planning and Data Analytics Department has the responsibility of verifying the availability of funds. Grant funds will be transferred to the

Grants Cap Projects Federal Fund for the project on a reimbursement basis.

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Expedited