



AGENDA ITEM COMMENTARY

MEETING NAME: City Council

MEETING DATE: March 4, 2024

ITEM TITLE: This commentary will cover the next two agenda items.

First item: Consider and take appropriate action on designation of up to \$150,000 from Hotel Occupancy Taxes toward construction of the Wolfforth Monument Sign

Second item: Consider and take appropriate action on recommendation from Wolfforth EDC for award of bid for Wolfforth Monument Sign to 2-H Construction

STAFF INITIATOR: Randy Criswell
Danielle Sweat

BACKGROUND:

After two attempts, we were successful in receiving three bids for the Wolfforth Monument Sign project. We've been working on this since early 2023. As is now typical for virtually any construction project, the bids for this project were higher than anticipated. The EDC had dedicated a total of \$225,000 for this project, including professional services, and the low bid came in at \$296,500.

We have attached information that was provided to the EDC at their meeting last week regarding the bids. Here's the project breakdown:

- Construction cost \$296,500
- Architectural \$60,000
- Total Cost \$356,500
- Amount approved by EDC \$225,000
- Shortfall \$131,500

The EDC Board has expressed a complete willingness to provide this additional amount. However, I would like to ask the Council to consider funding the shortfall with Hotel Occupancy Taxes. We currently have about \$700,000 in HOT fund balance, and I would rather see it used for the sign than to commit additional dollars from sales tax, simply because I'd rather see those EDC dollars available for business incentives.

The EDC Board has recommended that the bid be awarded to 2-H Construction in the amount of \$296,500 to 2-H Construction with the understanding that the EDC is willing to make up the shortfall if necessary.

EXHIBITS:

EDC Board meeting commentary
Letter of recommendation from Kimley Horn regarding 2-H Construction

Drawings of project

COUNCIL ACTION/STAFF RECOMMENDATION:

First Item: Staff recommends an amount up to \$150,000 be designated from HOT fund balance as additional funding for the Wolfforth Monument Sign project

Second Item: Staff recommends award of the bid to 2-H Construction in the amount of \$296,500.