



Legislation Text

File #: 22-0507, Version: 2

MOTION TO APPROVE THE ASSIGNMENT, ASSUMPTION, AND CONSENT AGREEMENT WHEREBY FLORIDA CDI, LLC D/B/A CHRISTMAS DESIGNERS WILL ASSIGN THE AGREEMENT FOR "CHARLES F. DODGE CITY CENTER PLAZA HOLIDAY DECORATIONS" TO RILEIGHS OUTDOOR, LLC D/B/A CHRISTMAS DESIGNERS EFFECTIVE JULY 1, 2022 AND APPROVE A RENEWAL OF THE AGREEMENT FOR "CHARLES F. DODGE CITY CENTER PLAZA HOLIDAY DECORATIONS", EFFECTIVE OCTOBER 1, 2022, IN THE AMOUNT OF \$97,490 FOR A PERIOD OF FIVE YEARS TO INCLUDE AN ANNUAL MAINTENANCE, STORAGE AND INSTALLATION FEE OF \$17,598 FOR EACH YEAR AND \$9,500 FOR YEAR ONE FOR THE PURCHASE AND INSTALLATION OF REPLACEMENT LIGHTS.

PROCUREMENT PROCESS TAKEN:

- Chapter 35 of the City's Code of Ordinances is titled "PROCUREMENT PROCEDURES, PUBLIC FUNDS."
- Section 35.29 of the City's Code of Ordinances is titled "TERM, TERMINATION, EXTENSION AND RENEWAL OF CONTRACTS."
- Section 35.29(D)(1) states, "General. When a contract is entered into by the city pursuant to City Commission approval and provides for one or more renewals by affirmative action of the city, the City Manager may approve such renewals without approval of the City Commission."
- Section 35.29(F) states, "City Commission notification. The City Manager, or his or her designee, shall notify the Commission, in writing, at least three months in advance of the expiration, renewal, automatic renewal or extension date, and shall provide a copy of the contract or agreement and a vendor performance report card contracts or agreements that initially required the City Commission's approval as defined in Section 35.21."

SUMMARY EXPLANATION AND BACKGROUND:

1. On November 14, 2017, the City Commission authorized an agreement with Florida CDI, LLC - Christmas Designers for "Charles F. Dodge City Center Plaza Holiday Decorations" for an initial period of five years with an option to renew the agreement for an additional five year period. The agreement will expire on October 31, 2022.
2. The original agreement provided for the purchase of a 30' Holiday Tree as well as Holiday Décor for the Charles F. Dodge City Center Plaza to include delivery, installation, removal, cleaning/ refurbishment, transport and storage on an annual basis for a five year period at the cost of \$15,785 per year plus the cost of the decorations at \$36,586.50 for a total cost of \$115,511.50.

3. On July 1, 2022 Florida CDI, LLC d/b/a Christmas Designers sold their company to Rileighs Outdoor, LLC. The two companies have merged their operations with Rileighs Outdoor LLC assuming all of the business and continuing all of the activities of Florida CDI, LLC and operating as Rileighs Outdoor LLC d/b/a Christmas Designers. Section 15.2 of the original agreement requires the city to approve any assignment of the agreement to a third party.
4. Requesting Commission approve the assignment of the Charles F. Dodge City Center Plaza Holiday Decorations agreement from Florida CDI, LLC d/b/a Christmas Designers to Rileigh Outdoor LLC d/b/a Christmas Designers effective July 1, 2022.
5. In addition to approval of the assignment of this agreement, staff is requesting approval to renew the agreement for an additional five year term as permitted in section 6.1 of the original agreement.
6. The renewed agreement will cost \$17,598 annually for the storage, maintenance and installation of holiday decorations. This is an increase of \$1,813 annually from the previous storage and maintenance agreement. Per the vendor, the increase is a result of increased costs in personnel, fuel, and overhead for storage of the city-owned holiday decorations. Year one (2022-23 season) will also include the purchase and installation of 500 commercial grade replacement lights to replace non-working lights on the city owned holiday decorations in the amount of \$9,500 for a total of \$27,098. The term will commence on November 1, 2022 and naturally expire on January 31, 2027.
7. Request Commission to approve the amendment and renew the agreement with Rileighs Outdoors, LLC - Christmas Designers for "Charles F. Dodge City Center Plaza Holiday Decorations", in the total amount of \$97,490.

Reviewed by Commission Auditor.

FINANCIAL IMPACT DETAIL:

- a) **Initial Cost:** \$97,490 total for the five year period. (Year One - \$9,500 for the purchase and installation of lights and \$17,598 for the storage, maintenance and installation for a total of \$27,098).
- b) **Amount budgeted for this item in Account No:** \$17,598 in proposed budget for Fiscal Year 2023 account # 001-573-7001-534990-0000-000-0000 Contractual Services for year one. The maintenance cost of \$17,598 for years 2-5 will be included in future year operating budgets.
- c) **Source of funding for difference, if not fully budgeted:** If approved, the \$9,500 for the purchase of lights in year one will require a budget adjustment from 001-572-7001-546150-0000-000-0000 (R&M Land Bldg) to 001-573-7001-534990-0000-000-0000 Contractual Services
- d) **5 year projection of the operational cost of the project:**

	FY 2023	Year 2	Year 3	Year 4	Year 5
Revenues	\$0	\$0	\$0	\$0	\$0
Expenditure	\$27,098	\$17,598	\$17,598	\$17,598	\$17,598
s					

Net Cost	(\$27,098)	(\$17,598)	(\$17,598)	(\$17,598)	(\$17,598)
----------	------------	------------	------------	------------	------------

e) Detail of additional staff requirements: Not Applicable

FEASIBILITY REVIEW:

A feasibility review is required for the award, renewal and/or expiration of all function sourcing contracts. This analysis is to determine the financial effectiveness of function sourcing services.

a) Was a Feasibility Review/Cost Analysis of Out-Sourcing vs. In-House Labor Conducted for this service? Not Applicable.

b) If Yes, what is the total cost or total savings of utilizing Out-Sourcing vs. In-House Labor for this service? Not Applicable.