



Recommendation for Action

File #: 21-3260, **Agenda Item #:** 15.

12/9/2021

Posting Language

Ratify a contract with Massbur, LLC d/b/a Restoration 1 of Austin to provide emergency winter weather damage mitigation, clean up, and repair services at Zach Scott Theatre, in the amount of \$136,373.

(Note: This contract is exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established).

Lead Department

Financial Services Department.

Client Department(s)

Economic Development Department.

Fiscal Note

Funding was available in the Fiscal Year 2020-2021 Operating Budget of Economic Development Department.

Purchasing Language:

Ratification.

For More Information:

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Additional Backup Information:

This is a ratification of a contract for emergency damage mitigation, clean up, and repair services provided at Zach Scott Theatre ("ZACH") due to the winter storm in February 2021.

In 1987, the City and ZACH entered into a 99-year operating agreement. Pursuant to the City's current Cultural Arts Major Facilities Policy, the City agrees to provide services for the theatre. Services include repair and maintenance, minor modifications, janitorial services, and insurance.

In 2006, the City passed a bond issue which included \$10 million to fund a new theatre for ZACH, resulting in the construction of the 420-seat Topfer Theatre in 2011. Additionally, a lease agreement was signed on November 2006 and is effective through November 24, 2086. The agreement ensures that the ZACH shall use and occupy the premises for the operation of a theatre and related public, educational and entertainment uses only.

The City and ZACH have entered into several agreements over the years. This action is responsive to the City's Funding Obligation in the operation and maintenance agreement, for repair of the theatre from damage caused by the winter storm in February 2021. The repairs are reimbursable through the City's property insurance.

The agreements with ZACH support the Cultural Arts Major Facilities Policy because the non-profit

organization creates an intimate theatre experiences that engage the community. ZACH employs more than 250 actors, musicians, and designers annually to create its own diverse array of nationally recognized plays and musicals relevant to Central Texas audiences. Each year, ZACH serves over 125,000 Central Texans and over 55,000 of which are children and youth who participate in its education, outreach programs, camps, and classes.

This extended into bathrooms, entrance area, hallways, theatres, and studios. The contract provided water mitigation, complete clean up and drying of affected areas including demolition and removal of all damaged materials. The work was performed following the Institute of Inspection Cleaning and Restoration Certification S500 guidelines. The damage from the storm was responded to expeditiously to prevent further damage. Per the lease agreement, the City paid \$136,373 for the repairs and submitted a reimbursement request to City's property insurance. The reimbursement has been received. This Council action ratifies the contract through an emergency declaration.

Following the immediate repairs, additional facility repairs from the water damage need to occur to make the building operable. Necessary repairs will not occur immediately. It was determined that an emergency declaration due to the winter storm could continue to be used as a premise for expediting the procurement of repairs. A related item is on this agenda to seek authorization from Council to continue repairs with the same contractor who performed the initial emergency repairs. Staff anticipates submitting a \$569,000 insurance claim reimbursement for the water damage repairs.

As Austin's leading professional producing theatre, ZACH addresses cultural needs of the community, and immediate repair was necessary to avoid catastrophic damage and bring the facility back to full operation. Additional repairs will occur pending Council approval.

Strategic Outcome(s):

Culture and Lifelong Learning.