



CITY OF LONG BEACH

R-17

DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT

333 West Ocean Boulevard 3rd Floor • Long Beach, CA 90802 • (562) 570-6099 • Fax (562) 570-6380

November 1, 2016

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute any and all documents necessary for a Supplemental Agreement to Management Agreement No. 21667 with SMG, a Pennsylvania joint venture, for the completion of certain capital improvement projects at the Long Beach Convention and Entertainment Center located at 300 East Ocean Boulevard, in the amount of \$1,235,000. (District 2)

DISCUSSION

On December 2, 2013, the State Lands Commission (SLC) approved funding for projects throughout the Tidelands areas of Long Beach. The SLC approval included improvements to light and sound systems at the Long Beach Convention and Entertainment Center (Center). Additionally, on April 26, 2016, the SLC approved funding for general improvement projects at the Center. On June 16, 2015, the City Council approved the prioritization of Tidelands Capital Improvement Projects and allocated \$1,235,000 from Tidelands oil revenue for the following high priority capital projects at the Center:

Seaside Restroom Improvements (Approximately \$800,000):

To continue to improve the guest experience at the Center, the restrooms serving the Seaside Ballrooms will undergo full upgrade and renovation.

Light and Audio Upgrades (Approximately \$335,000):

To further enhance the appearance and marketability of the Terrace Plaza and Seaside Way as additional special event spaces for the Center, additional lighting, sound equipment, and ADA-compliant assisted listening devices are needed. These improvements will enhance the guest experience and activate underutilized areas further increasing the capabilities of the Center.

Arena Sports Lights and Retrofit (Approximately \$100,000):

To solicit and attract national, state and local sporting events, including but not limited to gymnastics, cheerleading and other competitive sports competitions, State of the art sports lighting enhancements are needed in the Arena/Pacific Room.

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This Supplemental Agreement is required to modify the Management Agreement to allow SMG to manage this capital improvement project. SMG shall ensure that the bidding process for these projects comply with City regulations and the resulting contracts comply with the State Labor Code, as well as with City's insurance, bond and other performance requirements. SMG shall confirm with the City that the projects are completed according to the terms of the given contracts.

The proposed Supplemental Agreement provides only the authorization for SMG to contract for and administer the proposed capital improvements on behalf of the City of Long Beach. No additional compensation is provided to SMG beyond that already provided under the existing Management Agreement.

This matter was reviewed by Deputy City Attorney Linda T. Vu on October 13, 2016 and by Budget Management Officer Rhutu Amin Gharib on October 14, 2016.

TIMING CONSIDERATIONS

City Council action is requested on November 1, 2016, to allow SMG to immediately begin work to complete the projects in a timely manner.

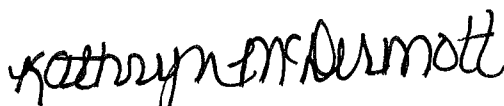
FISCAL IMPACT

The \$1,235,000 for capital improvements at the Long Beach Convention and Entertainment Center is funded by Tidelands oil revenue, and is budgeted in the Tidelands Operations Fund (TF 401) in the City Manager Department (CM). The expenditures of Tidelands oil revenue were approved by the California State Lands Commission on December 2, 2013 and April 26, 2013. There is no fiscal impact to the General Fund and no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



KATHRYN MCDERMOTT
INTERIM DIRECTOR OF
ECONOMIC AND PROPERTY DEVELOPMENT

APPROVED:


PATRICK H. WEST
CITY MANAGER