



Legislation Details (With Text)

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Title:	Recommendation to authorize City Manager, or designee, to execute any and all documents necessary for the First Amendment to the October 2010 Supplemental Agreement to Management Agreement No. 21667 with SMG, formerly known as Spectacor Management Group, for the completion of certain capital improvement projects at the Long Beach Convention and Entertainment Center located at 300 East Ocean Boulevard. (District 2)				
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Date	Ver.	Action By	Action	Result
12/14/2010	1	City Council	approve recommendation	Pass

Recommendation to authorize City Manager, or designee, to execute any and all documents necessary for the First Amendment to the October 2010 Supplemental Agreement to Management Agreement No. 21667 with SMG, formerly known as Spectacor Management Group, for the completion of certain capital improvement projects at the Long Beach Convention and Entertainment Center located at 300 East Ocean Boulevard. (District 2)

On October 19, 2010, as part of the current five-year Capital Improvement Project (CIP) List for the Center, the City Council approved the October 2010 Supplemental Agreement to Management Agreement No. 21667 (Supplemental Agreement) between the City of Long Beach and SMG for the replacement of 3,021 seats in the Terrace Theatre at the Long Beach Convention and Entertainment Center in the amount of \$850,000. The new seating project in the Terrace Theatre will be completed by January 31, 2011, in time for the upcoming Technology, Entertainment and Design (TED) Conference and other prestigious Center events scheduled for next year.

Other items remaining on the current five-year Capital Improvement Project (CIP) List for the Center include equipment and fixtures that have reached the end of their useful life and are in need of significant repair or replacement. These additional items (attached) comprise the remainder of the Center's approximately \$3.5 million CIP list for Fiscal Year 2011, which the City Council recently adopted.

The estimated cost of these remaining items is approximately \$2,650,000 and will be funded by the Tidelands Fund. Alternative funding may be obtained for certain energy-saving projects on the list. If alternative funding is obtained, the balance of the CIP budget will be used to implement additionally needed CIP projects. It is anticipated that these capital improvements will be completed within Fiscal Year 2011.

It is vital for the Center to remain a contemporary and attractive destination for events such as the

upcoming TED Conference. Accordingly, the above-listed capital improvements will increase the Center's marketability in this highly competitive market.

The First Amendment to the October 2010 Supplemental Agreement is required to authorize SMG to manage these capital improvement projects. SMG shall ensure that the bidding process for these projects complies 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. Also, SMG shall confirm with the City that the project has been completed according to the terms of the given contract.

This letter was reviewed by Principal Deputy City Attorney J. Charles Parkin on November 17, 2010, and by Budget and Performance Management Bureau Manager Lou Palmer on November 22, 2010.

City Council action is requested on December 14, 2010 in order to allow SMG to immediately begin the improvements and to complete them in a timely manner.

The Tidelands Fund is restricted for use only within the tidelands (beaches and waterways) area and cannot be used for other City infrastructure improvements. The Council appropriated funds for these improvements in the Tidelands Fund (TF 401) through the adoption of the FY11 CIP budget. There is no fiscal impact to the General Fund and no local job impact associated with this recommendation.

Approve recommendation.

MICHAEL P. CONWAY)
DIRECTOR OF PUBLIC WORKS

APPROVED:

PATRICK H. WEST
CITY MANAGER