

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: May 3, 2022 [X] Consent [ ] Regular  
[ ] Ordinance [ ] Public Hearing

Department:  
Submitted by: Facilities Development & Operations  
Submitted for: Tourist Development Council

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to approve: A Second Amendment (“Amendment”) to the Convention Center Operating Agreement (“Agreement”) with Global Spectrum, L.P., d/b/a Spectra Venue Management (“Operator”), for the operation and management of the Palm Beach County Convention Center (“Convention Center”) extending the term for an additional 12 months through September 30, 2023.

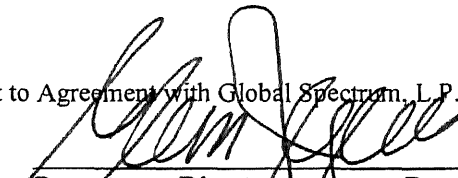

**Summary:** In 2012, Operator was selected to operate and manage the Convention Center through a competitive Request for Proposals (RFP) process. Under the terms of the Agreement (R2012-1047), the Board of County Commissioners (Board) exercised a renewal option to extend the Agreement for 5 years through September 30, 2022 (R2017-0932). Staff recommends extending the Agreement for another 12 months for the following reasons: 1) disruptions in operations caused by Covid-19 over the past two years; 2) the County recently issued an RFP for a new Food and Beverage Services contract at the Convention Center since the current Food and Beverage contract also expires on September 30; 3) the Tourist Development Council (TDC) Director is retiring and the additional time will allow the new director to become familiar with Convention Center operations before advertising for a new Convention Center operator. Facilities Development and Operations (FDO) and TDC intend to advertise the solicitation for a new operator in the spring of 2023 with an anticipated award in the summer of 2023. The FDO and TDC Directors recommend this extension as it is deemed beneficial to the interests, health, safety and welfare of the County. This Agreement is exempt from the Purchasing Code, but staff has complied with the requirements of Purchasing Code Section 2-54(b) since this is an extension of a competitively procured contract. The Agreement provides for the County to pay Operator an annual fixed fee (Annual Fixed Fee) of \$214,092 to be paid in monthly installments of \$17,841 which may be adjusted annually each October, based on the percentage change in the Consumer Price Index (CPI); provided however, the annual adjustment will not increase or decrease by more than 3%. In addition to the Annual Fixed Fee, Operator has the potential to earn an incentive fee (“Incentive Fee”), which will not exceed \$100,000 or 25% of the Annual Fixed Fee, whichever is less, if key performance measures are met in areas of financial, SBE achievement, marketing, sales and customer service. In addition to extending the term for 12 months, the Amendment revises the County standard language on non-discrimination and adds new language on E-Verify. During its December 9, 2021 meeting, the TDC Board approved recommending to the Board approval of the 12-month extension to the Agreement. This Operating Agreement is exempt from the Equal Business Opportunity Ordinance. (TDC/FDO) Countywide (MWJ)

**Background & Justification:** The County’s existing Agreement with Operator for the PBC Convention Center is set to expire September 30, 2022. The County intends to issue a competitive RFP for operation and management services at the Convention Center in spring 2023. Staff is requesting a 12 month extension of the Agreement with Operator from October 1, 2022 through September 30, 2023. The TDC Board supports the 12 month extension while an RFP is prepared and issued in spring 2023. The Amendment also updates Section 15.2 regarding non-discrimination and adds County standard language on E-Verify in Section 24.23.


**Attachments:**

- 1. Site Map
- 2. BAS
- 3. Second Amendment to Agreement with Global Spectrum, L.P. d/b/a Spectra Venue Management

Recommended by:

 3/30/22  
Department Director Date  
 3/30/22  
Department Director Date

Approved by:

 4/26/22  
County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2022	2023	2024	2025	2026
Capital Expenditures	0	0	0	0	0
Operating Costs	214,092	220,515	0	0	0
External Revenues	0	0	0	0	0
Program Income (County)	0	0	0	0	0
In-Kind Match (County)					
<b>NET FISCAL IMPACT</b>	<b>214,092</b>	<b>220,515</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>					

Is Item Included in Current Budget: Yes  No   
 Does this item include the use of federal funds? Yes  No

Budget Account No:  
 Fund 1450 Dept 710 Unit 7420 Object 3401

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

First cent of the bed tax operating reserve. The fiscal impact of \$214,092 per year plus of minus 3% based upon the percentage change in the Consumer Price Index (CPI)

**C. Departmental Fiscal Review:**

**ffl. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Development Comments:**

ASDC/AB 4/12/22  
 MG 4/12 LM4/6  
 OFMB

[Signature] 4/22/22  
 Contract Development and Control  
 4-20-22 TD

**B. Legal Sufficiency:**

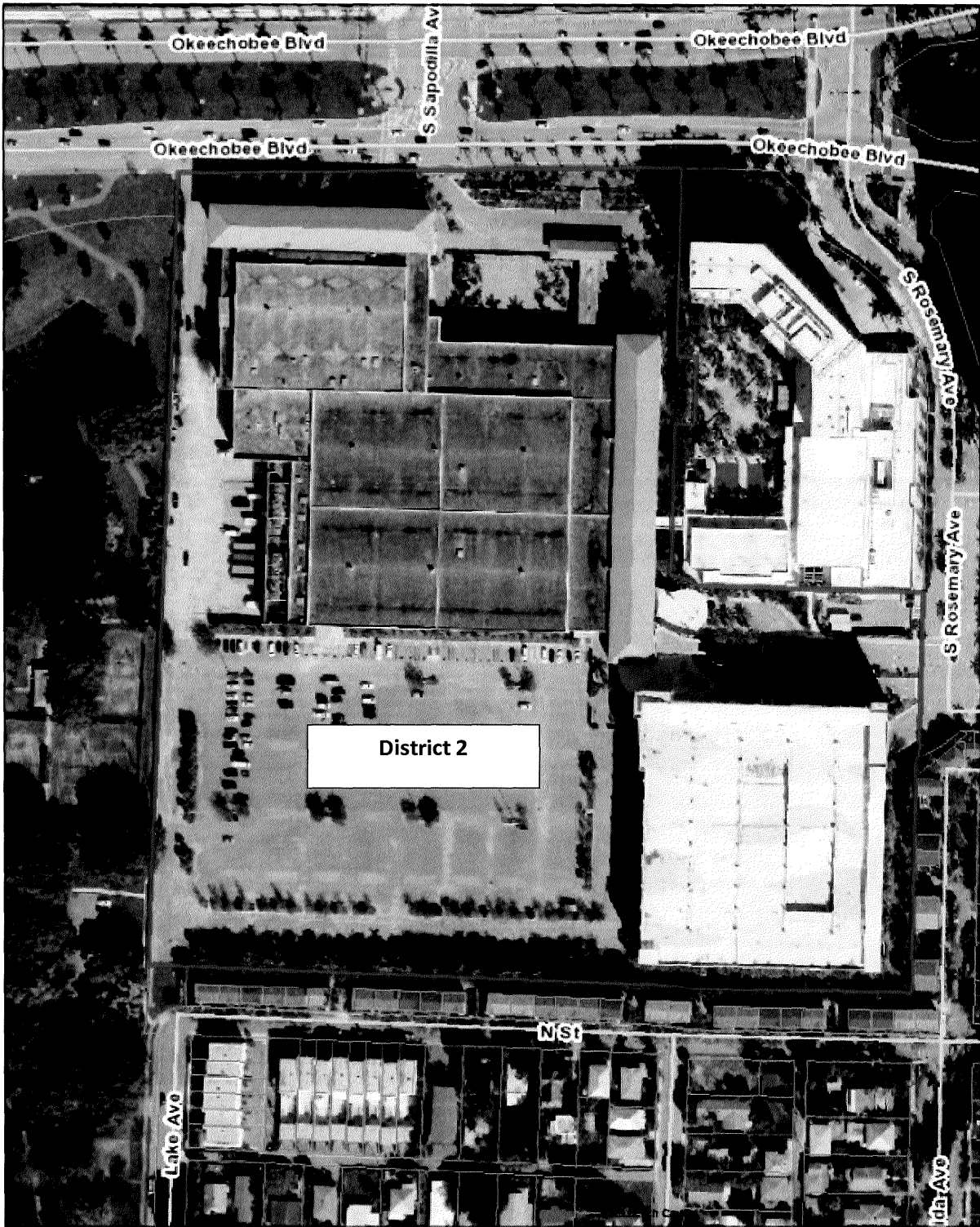
[Signature] 4/22/22  
 Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

This summary is not to be used as a basis for payment.

650 Okeechobee Blvd



BUDGET ACCOUNT NUMBER  
**Budget Availability Statement**  
**Tourist Development Council**

REQUEST DATE: 4/5/2022 REQUESTED BY: FD&O


REQUESTED FOR: Spectra's Management Fee

REQUESTED AMOUNT: \$ 434,607 AGENDA DATE: \_\_\_\_\_

BUDGET ACCOUNT NUMBER

	FUND:	DEPT:	UNIT:	OBJ:	Amount
CONVENTION CENTER:	<u>1450</u>	<u>710</u>	<u>7420</u>	<u>3401</u>	<u>\$ 434,607.00</u>

BAS APPROVED BY \_\_\_\_\_ DATE



4/5/2022

**SECOND AMENDMENT TO EXTEND THE TERM  
OF THE CONVENTION CENTER OPERATING AGREEMENT**

**This Second Amendment to Extend the Term** (“Second Amendment”) of the Convention Center Operating Agreement is made and entered into on \_\_\_\_\_ 2022, by and between Palm Beach County (“County”), a political subdivision of the State of Florida and Global Spectrum, L.P. (“Operator”), a Delaware Limited Partnership doing business as Spectra Venue Management, authorized to conduct business in the State of Florida.

**WITNESSETH**

**WHEREAS**, on July 24, 2012, the parties hereto entered into the Convention Center Operating Agreement (R2012-1047), which was amended effective on July 11, 2017 (R2017-0932) (collectively hereinafter the “Agreement”) under which the Operator provides management and operation services to the County for its Palm Beach County Convention Center located at 650 Okeechobee Boulevard in West Palm Beach, Florida (“PBC Convention Center”); and

**WHEREAS**, the term of the Agreement commenced on October 1, 2012 for an initial term of five (5) years through September 30, 2017, and was renewed effective July 11, 2017 (First Amendment) for an additional term of five (5) years through September 30, 2022; and

**WHEREAS**, the Operator has indicated a willingness and demonstrated the ability to continue to provide operation and management services to the County for its PBC Convention Center according to the terms and provisions set forth in the Agreement and this Second Amendment; and

**WHEREAS**, the parties desire to extend the term of the Agreement and amend and modify certain provisions of the Agreement.

**NOW THEREFORE**, in consideration of the mutual covenants, promises and representations contained herein, the Parties agree as follows:

1. **Term Extended.** The term of the Agreement shall be extended through September 30, 2023.
2. **Agreement Modifications and Additions.** The following provisions of the Agreement are modified as follows:

**Sections 15.2 and 24.20 of the Agreement are deleted in their entirety and replaced with the following:**

**SECTION 15.2 NON-DISCRIMINATION**

The COUNTY is committed to assuring equal opportunity in the award of contracts and complies with all laws prohibiting discrimination. Pursuant to Palm Beach County Resolution R2017-1770, as may be amended, the OPERATOR warrants and represents that throughout the term of the Contract, including any renewals thereof, if applicable, all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity or expression, or genetic information. Failure to meet this requirement shall be considered default of the Contract.

As a condition of entering into this Contract, the OPERATOR represents and warrants that it will comply with the COUNTY'S Commercial Nondiscrimination Policy as described in Resolution 2017-1770, as amended. As part of such compliance, the OPERATOR shall not discriminate on the basis of race, color, national origin, religion, ancestry, sex, age, marital status, familial status, sexual orientation, gender identity or expression, disability, or genetic information in the solicitation, selection, hiring or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall the OPERATOR retaliate against any person for reporting instances of such discrimination. The OPERATOR shall provide equal opportunity for subcontractors, vendors and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the COUNTY'S relevant marketplace in Palm Beach County. The OPERATOR understands and agrees that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification or debarment of the company from participating in COUNTY contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party. OPERATOR shall include this language in its subcontracts.

**Article 24 of the Agreement is amended to include the following new provision:**

**SECTION 24.23 – E-VERIFY EMPLOYMENT ELIGIBILITY**

Operator warrants and represents that it is in compliance with section 448.095, Florida Statutes, as may be amended, and that it: (1) is registered with the E-Verify System (E-Verify.gov), uses the E-Verify System to electronically verify the employment eligibility of all newly hired

workers; and (2) has verified that all of the Operator's contractors and subcontractors performing any duties and obligations under this Agreement are registered with the E-Verify System, and use the E-Verify System to electronically verify the employment eligibility of all newly hired workers.

OPERATOR shall obtain from each of its subconsultants an affidavit stating that the subconsultant does not employ, contract with, or subcontract with an Unauthorized Alien, as that term is defined in section 448.095(1)(k), Florida Statutes, as may be amended. OPERATOR shall maintain a copy of any such affidavit from a subconsultant for, at a minimum, the duration of the subcontract and any extension thereof. This provision shall not supersede any provision of this CONTRACT which requires a longer retention period.

COUNTY shall terminate this CONTRACT if it has a good faith belief that OPERATOR has knowingly violated Section 448.09(1), Florida Statutes, as may be amended. If COUNTY has a good faith belief that OPERATOR's subconsultant has knowingly violated section 448.09(1), Florida Statutes, as may be amended, COUNTY shall notify OPERATOR to terminate its contract with the subconsultant and OPERATOR shall immediately terminate its contract with the subconsultant. If COUNTY terminates this CONTRACT pursuant to the above, OPERATOR shall be barred from being awarded a future contract by COUNTY for a period of one (1) year from the date on which this CONTRACT was terminated. In the event of such contract termination, OPERATOR shall also be liable for any additional costs incurred by COUNTY as a result of the termination.

3. **All Other Terms Affirmed.** In all other respects, the terms and conditions of the Agreement shall remain in full force and effect and are hereby ratified and affirmed by the parties hereto.

**THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY**

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Agreement to be executed as of the day and year first above written.

ATTEST:

JOSEPH ABRUZZO  
CLERK OF THE CIRCUIT COURT &  
COMPTROLLER

PALM BEACH COUNTY, a political  
subdivision of the State of Florida

By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Robert S. Weinroth, Mayor

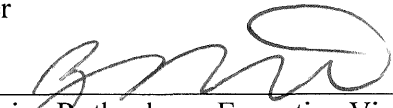
APPROVED AS TO LEGAL  
SUFFICIENCY

APPROVED AS TO TERMS  
AND CONDITIONS

By:   
Assistant County Attorney

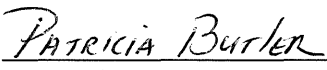
By: \_\_\_\_\_  
Verdenia Baker, County Administrator

GLOBAL SPECTRUM, L.P.  
By: Global Spectrum, LLC, its general  
partner

By:   
Brian Rothenberg, Executive Vice  
President and General Counsel

  
\_\_\_\_\_  
Witness Signature

(SEAL)

  
\_\_\_\_\_  
Print Witness Name