

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**



Meeting Date: September 26, 2023 | | Consent  Regular  
| | Ordinance  Public Hearing

Departments: Facilities Development & Operations  
Tourist Development Council



**I. EXECUTIVE BRIEF**

**Motion and Title: Staff recommends motion to approve:** A Third Amendment (“Amendment”) to the Convention Center Operating Agreement with Global Spectrum, L.P., (“Global” or “Operator”), for the operation and management of the Palm Beach County Convention Center (“Convention Center”) extending the term for an additional four months through January 31, 2024.

**Summary:** Operator was selected to operate and manage the Convention Center in 2012 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). Due to COVID-19 disruptions, the retirement of the Tourist Development Council (TDC) Director, and the solicitation for a new Food and Beverage Services contract at the Convention Center, the Board extended the Agreement through September 30, 2023 (R2022-0407). Facilities Development and Operations (FDO) and TDC advertised the solicitation for a new Convention Center operator in the spring of 2023. One proposal (from Global) was received in response to the competitive solicitation. The selection committee met on June 16, 2023 and recommended award to Global subject to negotiation of the financial component of Global’s proposal. The FDO Director and Global are currently in negotiations of the financial component of the proposed new contract but require additional time to finalize the pricing of the proposed new contract. Therefore, staff recommends extending the existing Agreement with Global for four months through January 31, 2024. 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 existing Agreement provides for the County to pay Operator an annual fixed fee (Annual Fixed Fee) of \$220,515.00 to be paid in monthly installments of \$18,376.25 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. The TDC Board has been notified of staff’s recommendation to extend the Agreement for four months. (FDO/TDC) **District 2/Countywide (MWJ)**

**Background & Policy Issues:** The County’s existing Agreement with Operator for the PBC Convention Center is set to expire September 30, 2023. The County has issued a competitive RFP for operation and management services at the Convention Center, but staff requires additional time to negotiate a proposed contract with the recommended awardee. Staff is requesting a four month extension of the existing Agreement with Operator from September 30, 2023 through January 31, 2024.

- Attachments:**
- 1. Location Map
  - 2. Budget Availability Statement (BAS)
  - 3. Third Amendment to Agreement with Global Spectrum, L.P.

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Recommended by: *Ms. [Signature]* 9/15/2023  
Department Director Date  
*[Signature]* 9/15/23  
Department Director Date  
Approved by: *[Signature]* 9/20/23  
County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

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

Fiscal Years	2023	2024	2025	2026	2027
Capital Expenditures	0	0	0	0	0
Operating Costs	0	\$75,711	0	0	0
External Revenues	0	0	0	0	0
Program Income (County)	0	0	0	0	0
In-Kind Match (County)	0	0	0	0	0
<b>NET FISCAL IMPACT</b>	<b>0.00</b>	<b>\$75,711</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
# ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included in Proposed Budget? Yes X No \_\_\_\_\_

Does this item include the Use of Federal Funds? Yes \_\_\_\_\_ No X

Budget Account Nos: Fund 1450 Agency 710 Org 7420 Object 3401

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

First Cent of the bed tax operating reserve. The fiscal impact for FY 2024 is based on four monthly installments of \$18,927.54, reflecting a 3% increase commencing October 1, 2023.

C. Departmental Fiscal Review: \_\_\_\_\_

**III. REVIEW COMMENTS:**

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

Lucy Martin 9/18/2023  
 OFMB 9/18  
 9-18-23  
 MF 9/18

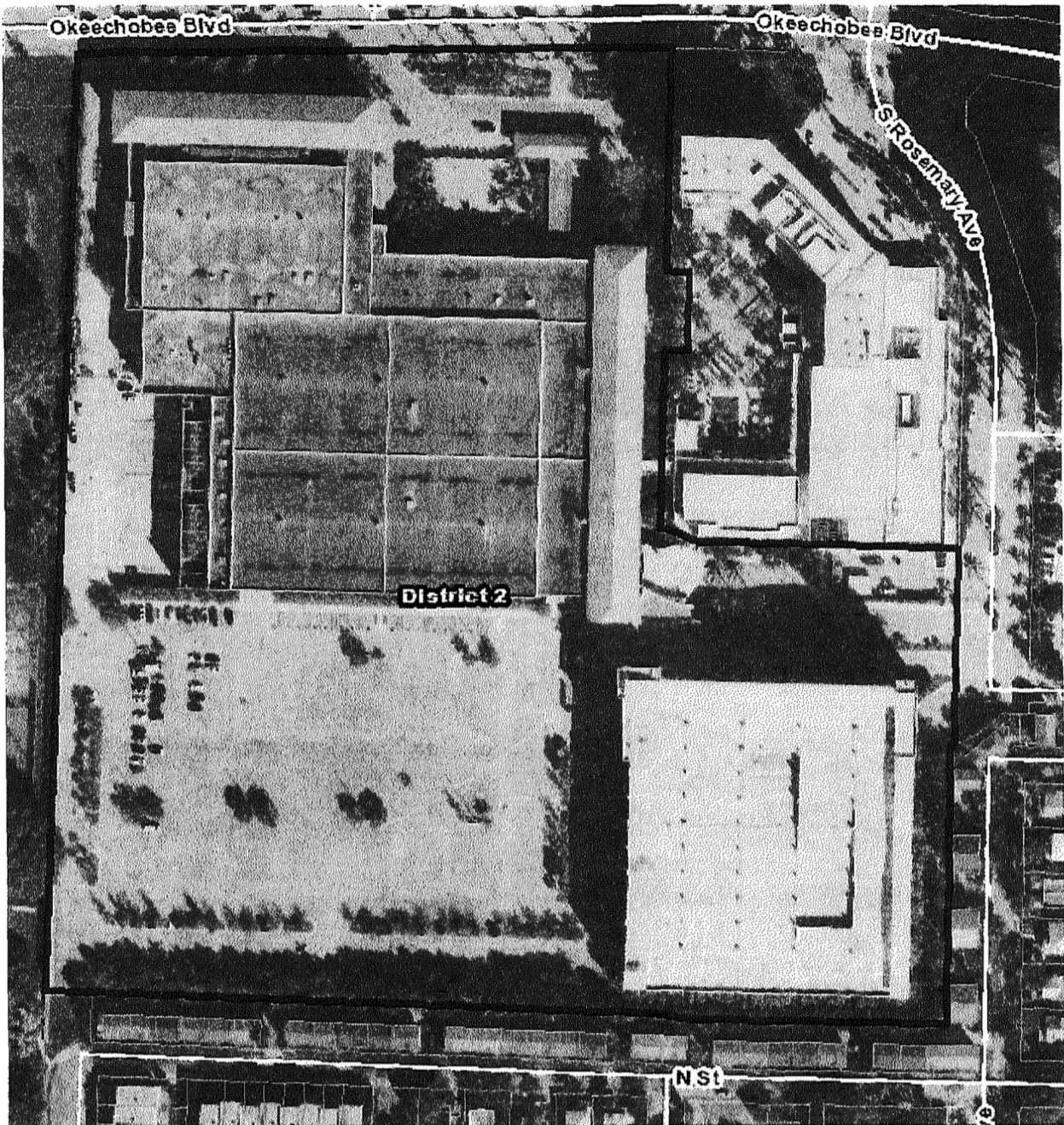
Arif J. Jurek 9/19/23  
 Contract Development and Control  
 7/19/23

**B. Legal Sufficiency:**  
[Signature] 9/20/23  
 Assistant County Attorney

**C. Other Department Review:**  
 \_\_\_\_\_  
 Department Director

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

Location map



Convention Center

Location: 650 Okeechobee Blvd, West Palm Beach FL 33401



### Budget Availability Statement (BAS)

REQUEST DATE: 09.13.2023

REQUESTED BY: FD&O


REQUESTED FOR: GLOBAL SPECTRUM, L.P. FEE

REQUESTED AMOUNT: \$ 75,711.00

BUDGET ACCOUNT NUMBER: CONVENTION CENTER

FUND	DEPT	UNIT	OBJECT	AMOUNT:
<u>1450</u>	<u>710</u>	<u>7420</u>	<u>3401</u>	<u>\$ 75,711</u>

Please be advised that funds are available in the amount of and not to exceed \$75,711 in Convention Center Budget Account number. This authorization is to cover an additional four (4) month term extension for *Global Spectrum, L.P. fee*. (See memo attached).

BAS APPROVED BY:   
**Vannette Youyoute**  
 Financial Analyst

DATE: 9.13.23



Palm Beach County Tourist Development Council  
 2195 Southern Boulevard, Suite 500, West Palm Beach, Florida 33406  
 D-(561) 233-3130 D-FACSIMILE (561) 233-3113

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

**This Third Amendment to Extend the Term** (“Third Amendment”) of the Convention Center Operating Agreement is made and entered into on \_\_\_\_\_ 2023, 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, 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 on July 11, 2017 (R2017-0932), and subsequently amended on May 3, 2022 (R2022-0407) (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 for an additional term of five (5) years through September 30, 2022 (First Amendment), and was extended for an additional term through September 30, 2023 (Second Amendment); 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 Third Amendment; and

**WHEREAS**, the parties desire to extend the term 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 January 31, 2024.
2. **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 Third 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

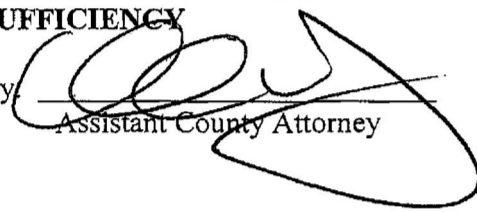
PALM BEACH COUNTY, a political  
subdivision of the State of Florida


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

By: \_\_\_\_\_  
Gregg K. Weiss, 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)

SUSAN CLARK  
Print Witness Name