



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

CONSENT  
**August 29, 2006**

**Honorable Mayor and  
 Members of the City Council**

**Title: Supplemental Agreement No. 1 to Agreement 2006-0499: Barrett Sports Group (BSG)**

**Location/Council District:** Citywide

**Recommendation:** Adopt a **Resolution** 1) Authorizing the City Manager to execute Supplement No. 1 to Agreement 2006-0499 to increase the total agreement to an amount not to exceed \$110,000.00 for general advisory services relating to the development of alternatives for the possible construction of an arena complex.

**Contact:** John Dangberg, Assistant City Manager, (916) 808-1222

**Presenters:** Not applicable

**Department:** City Manager's Office

**Division:** N/A

**Organization No:** 0310

### **Description/Analysis**

**Issue:** The City Manager is authorized to sign professional services agreements up to \$100,000 and accordingly executed Agreement 2006-0499 with Barrett Sports Group (BSG) to provide professional consulting services in the highly specialized field of arena negotiation and finance. Services provided by BSG will exceed the City Manager's authority and it is necessary to seek City Council authority to increase the total agreement to an amount not to exceed \$110,000.00.

**Policy Considerations:** This recommendation is consistent with the City's strategic planning focus area of Culture and Entertainment developed through the City's Strategic Planning – Strategic Budgeting process used for the adoption of the FY 2006/07 budget.

**Environmental Considerations:** The requested Council action does not constitute a "project" and therefore is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) because it does not involve an activity that will have a significant effect on the environment.



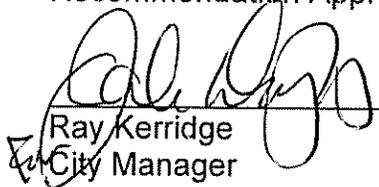
**Rationale for Recommendation:** Due to the complexity and specialized field of arena finance and negotiation, the City selected BSG to represent the City's interests in the planning and negotiation phase of a potential arena project. The fees for professional services of this nature are difficult to estimate due to the uncertainty of time involved in negotiating lease terms and deal structures, and the level of cooperation of other parties.

**Financial Considerations:** This action will authorize the City Manager to execute Supplemental Agreement No. 1 to Agreement 2006-0499 to increase the total agreement to an amount not to exceed \$110,000.00. There are adequate funds appropriated in the City Manager's professional services budget to fund this Supplemental Agreement.

**Emerging Small Business Development (ESBD):** BSG is certified by the Office of Emerging and Small Business Development (ESBD) as a Small Business Enterprise.

Respectfully Submitted by:   
Patti Bisharat, Director of Governmental Affairs

Recommendation Approved:

  
Ray Kerridge  
City Manager

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**Attachment 1**

**Background**

Due to the complexity and specialized field of arena finance and negotiation, the City selected Barrett Sports Group (BSG) to represent the City's interests in the planning and negotiation phase of a potential arena project. BSG supplies a unique service regarding sports franchise location issues, has prior experience with Sacramento issues, and is located in California.

Pursuant to the scope of work in Agreement 2006-0499, BSG has worked with the City and other regional partners to negotiate proposed lease terms and deal structures regarding an arena project. The fees for professional services of this nature are difficult to estimate due to the uncertainty of time involved in negotiating lease terms and deal structures, and the level of cooperation of other parties.

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE SUPPLEMENTAL AGREEMENT NO. 1 TO AGREEMENT 2006-0499 TO INCREASE THE TOTAL AGREEMENT TO AN AMOUNT NOT TO EXCEED \$110,000.00 WITH BARRETT SPORTS GROUP (BSG)**

**BACKGROUND**

- A. Due to the complexity and specialized field of arena negotiation and finance, the City selected BSG to represent the City's interests in the planning and negotiation phase of a potential arena project.
- B. The fees for professional services of this nature are difficult to estimate due to the uncertainty of time involved in negotiating lease terms and deal structures, and the level of cooperation of other parties.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

Section 1. The Mayor/Council adopt this Resolution authorizing the City Manager to execute Supplemental Agreement No. 1 to Agreement 2006-0499 to increase the total agreement to an amount not to exceed \$110,000.00 with Barrett Sports Group (BSG).

