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OAKLAND

2013 APR 11 AM 9:02

# AGENDA REPORT

TO: DEANNA J. SANTANA  
CITY ADMINISTRATOR

FROM: Fred Blackwell

SUBJECT: Capital Improvements at the  
Oakland Ice Center

DATE: March 27, 2013

City Administrator  
Approval

Date

4/2/13

COUNCIL DISTRICT: 3

## RECOMMENDATION

Staff recommends that the City Council approve:

**A Resolution Appropriating Funds in the Amount of \$202,000 for the Replacement of Rubber Flooring at the Oakland Ice Center**

## OUTCOME

Passage of this resolution will enable the replacement of the rubber flooring at the Oakland Ice Center (OIC), specifically located around the Olympic and main level hockey rinks, ticket lobby and bathroom hallways, two staircases, and two staircase landings. The protective rubber flooring throughout the Ice Center allows ice skaters and ice hockey players a safe surface to walk on while wearing skates. The existing flooring was installed in 1995 when the OIC was constructed, and the flooring has reached the end of its useful life. The floors should be replaced as soon as possible in order to avoid potential liability issues.

## BACKGROUND/LEGISLATIVE HISTORY

The Oakland Ice Center was constructed in 1995 and is owned by the City of Oakland. At its meeting on July 20, 2010, City Council passed Resolution No. 2010-0084 C.M.S. approving a five-year agreement with San Jose Arena Management, LLC (SJAM) to manage and operate the Oakland Ice Center through December 31, 2015. Under the agreement, SJAM and the City of Oakland are required to invest a portion of annual OIC net revenue in capital improvements to the OIC to be jointly agreed upon by both parties.

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At this time, SJAM and City staff acknowledge that the existing rubber flooring throughout the facility has exceeded the end of its useful life and must be replaced. The replacement of the flooring will cost approximately \$202,000. The cost of replacing the flooring exceeds the City's required annual investment in capital improvements (at least \$20,000 per year) and staff is requesting City Council authorization to appropriate \$202,000 of the City's share of FY 2011-12 annual OIC net revenue (totaling \$222,137.22) for this immediate and necessary capital improvement.

The management agreement between the City and SJAM requires the operator to make all capital improvements to the facility at the expense of the City. In its procurement of these services, SJAM must comply with the City's Local and Small Local Business program. The management agreement permits SJAM to advance any funds required to make capital repairs from net revenues for that year up to an amount of \$150,000 with prior staff approval. However, the funding required to replace the flooring at the OIC exceeds this amount and requires Council approval.

### ANALYSIS

The City of Oakland (formerly the Redevelopment Agency) has owned the OIC for 16 years. During this time, no major repairs to or replacement of the original rubber flooring located throughout the first floor of the facility have occurred. The protective rubber flooring, which is a specialty product designed to be a cut- and slip-resistant surface for ice skate blades, provides ice skaters and ice hockey players a safe surface to stand and walk on while wearing skates in the facility. The flooring at the OIC has exceeded the end of its useful life (10 to 15 years) and there is an immediate need to replace it throughout the facility. The replacement needs to be completed as soon as possible to improve the functioning and appearance of the OIC and to avoid potential liabilities.

The flooring will be replaced around the Olympic and main level hockey rinks, ticket lobby and bathroom hallways, two staircases and two staircase landings, totaling 8,670 square feet of new rubber flooring. The replacement work will include demolishing the existing flooring, applying adhesive, a rubber-vented base, transitions and stair nosing, and installing the Mondo 10MM sport impact flooring. Mondo 10MM Sport Impact Flooring is the industry standard for ice rinks and arenas with heavy skate blade traffic. Mondo Sport Impact Flooring is "Greenguard Indoor Air Quality Certified" and 100% recyclable. The useful lifespan of the new flooring is 10 to 15 years.

As SJAM continues to improve its successful programming and attract more users, the rubber floors will continue to experience heavy traffic. Currently, the OIC draws nearly 30,000 users per year with programs including: adult and children's ice hockey leagues, ice skating and speed skating lessons, curling, open skating hours and a sled hockey program for children and adults with disabilities. Additionally, SJAM maintains a strong partnership with Oakland Unified

School District and provides ongoing physical education classes, and high school hockey and synchronized skating teams. It is critical to maintain a safe environment for OIC users.

Replacement of the flooring will take approximately 2 to 3 weeks. SJAM intends to start the work during their annual one-week maintenance closure period (June 30-July 6). The work will be phased and there will be no interruption to the operations of the OIC.

### **PUBLIC OUTREACH/INTEREST**

This item relates to property management and did not require public outreach. However, SJAM is holding quarterly meetings with representatives from all of its major client groups, such as figure skaters and hockey players. Members have raised the condition of the aging rubber floor as a concern, which SJAM and the City have committed to address. The OIC attracts nearly 30,000 users per year and the public will benefit from the proposed improvements to the facility.

### **COORDINATION**

This report has been coordinated with the City Attorney's Office, the Budget Office and SJAM.

### **COST SUMMARY/IMPLICATIONS**

Funds in the amount of \$202,000 for capital improvements to the OIC are available in Central District Projects Fund (5610); Central District Organization (94889); Oakland Ice Center Capital Improvements (PI31220).

### **SUSTAINABLE OPPORTUNITIES**

**Economic:** Improvements to the OIC will improve the functioning, appearance, and safety of the facility benefiting existing users and potentially attracting new users to downtown Oakland. The OIC continues to provide employment opportunities and sales tax revenues from food, beverage, and merchandise sales.

**Environmental:** SJAM has a good track record of prioritizing energy-efficiency and "green" building improvements. Over the last several years, SJAM has upgraded a solar panel system and retrofitted the lighting throughout the facility. The new Mondo 10MM Sport Impact Flooring is "Greenguard Indoor Air Quality Certified" and 100% recyclable. The new flooring will improve the air quality of the facility.


**Social Equity:** Under SJAM's management, the OIC has significantly expanded its programming and connection to the local community, including the Oakland Unified School District. The

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facility offers a variety of healthy recreational services to the diverse residents of Oakland and the Greater Bay Area. The selected contractor will comply with the City of Oakland's Local and Small Local business requirements.

For questions regarding this report, please contact Christine Lebron, Urban Economic Analyst II, at 510-238-3993.

Respectfully submitted,



Fred Blackwell, Assistant City Administrator

Reviewed by:   
Gregory Hunter  
Office of Neighborhood Investment

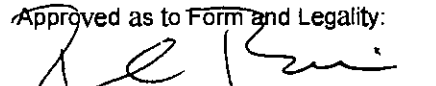
Jens Hiilmer, Urban Economic Coordinator

Prepared by:  
Christine Lebron, Urban Economic Analyst II

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Approved as to Form and Legality:

  
Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

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### RESOLUTION APPROPRIATING FUNDS IN THE AMOUNT OF \$202,000 FOR THE REPLACEMENT OF RUBBER FLOORING AT THE OAKLAND ICE CENTER

**WHEREAS**, the City of Oakland owns the Oakland Ice Center (OIC); and

**WHEREAS**, the OIC is managed and operated by San Jose Arena Management, LLC (SJAM), pursuant to a five-year management agreement dated December 20, 2010, through December 31, 2015 and

**WHEREAS**, no major repairs or replacement of the flooring at the OIC have occurred since the OIC was built in 1995; and

**WHEREAS**, SJAM has informed the City that replacement of the rubber flooring is imminently necessary due to health and safety concerns; and

**WHEREAS**, the City desires to make available \$202,000 from OIC revenues to fund the replacement of rubber flooring at the OIC; and

**WHEREAS**, the City has identified funds totaling \$202,000 from the City's Central District Projects Fund (5610); Central District Organization (94889); Oakland Ice Center Capital Improvements (PI31220) to fund the capital improvements to the OIC; and

**WHEREAS**, the requirements of CEQA, the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been met; now, therefore, be it

**RESOLVED**: That the City Council hereby appropriates \$202,000 from the City's Central District Projects Fund (5610); Central District Organization (94889); Oakland Ice Center Capital Improvements (PI31220) for the purpose of funding the replacement of the rubber flooring at the OIC; and be it further

**RESOLVED**: The City has independently reviewed and considered this environmental determination, and the City finds and determines, based on the information in the staff report accompanying this Resolution, that this action complies with CEQA because this action on the part of the City is exempt

from CEQA pursuant to Section 15301(Existing Facilities) of the CEQA guidelines; and be it further

**RESOLVED:** That the City Administrator or her designee, shall cause to be filed with the County of Alameda a Notice of Exemption and an Environmental Declaration (California Fish and Game Code Section 711.4) for this action; and be it further

**RESOLVED:** That the City Administrator is authorized to take whatever action is necessary with respect to the funding and the work consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN, REID, SCHAAF, and  
PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California