

BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF APPROVING) RESOLUTION NO. 03-3285
AMENDMENT NO. 2 TO THE LATEX PAINT)
WAREHOUSE LEASE, CONTRACT NO. 922707) Introduced by Mark Williams,
) Interim Chief Operating Officer with the
) concurrence of David Bragdon, Council
) President

WHEREAS, Metro's latex paint recycling facility has limited storage capacity and most of the capacity is needed to stage incoming paint and for paint processing operations; and,

WHEREAS, Metro plans to move the latex paint recycling facility and retail sale operations to a new facility that is more centrally located, is large enough to meet the growing demand for Metro's recycled paint, and provides space to store excess inventory of paint; and,


WHEREAS, Metro currently leases warehouse space for excess inventory of paint and the warehouse space is needed until a new facility is available; and,

WHEREAS, the warehouse lease needs to be amended to extend the termination date of the lease; and,

WHEREAS, the resolution was submitted to the Chief Operating Officer for consideration and was forwarded to the Metro Council for their approval; now therefore,

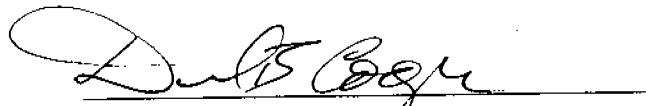
BE IT RESOLVED that the Metro Council authorizes the Chief Operating Officer to execute Amendment No. 2 to the Latex Paint Warehouse Lease, Metro Contract No. 922707, in a form substantially similar to the attached Exhibit A.

ADOPTED by the Metro Council this 13th day of March 2003



David Bragdon, Council President

APPROVED AS TO FORM:



Daniel B. Cooper, Metro Attorney

AMENDMENT NO. 2

This amendment dated as of the last signature date below, hereby amends the Lease Agreement between METRO and Emmert Development Company, "Contractor" dated January 23, 2001 (the "original agreement"). In exchange for the promises and other valuable consideration described in the original agreement, subsequent amendments, and this amendment, the parties agree as follows:

1. The termination date of the original lease agreement is extended to February 29, 2004. The lease shall be on a month-to-month basis during the period of September 1, 2003, to February 29, 2004, and either party may terminate the agreement with thirty (30) days written notice.
2. Contractor shall continue to lease to Metro the warehouse facilities located at 11839 SE Highway 212, Clackamas, Oregon 97015, as described in the original agreement.
3. Metro agrees to pay Contractor additional consideration for such services in an amount not to exceed TWENTY-SIX THOUSAND FOUR HUNDRED and NO/100 Dollars (\$26,400.00) beyond the agreed payment for service under the original agreement. No payment beyond this additional sum shall be authorized by Metro without specific written amendment to the original agreement. This amendment increases the maximum contract price to EIGHTY-ONE THOUSAND EIGHT HUNDRED THIRTY-FOUR and NO/100 Dollars (\$81,834).

All other terms and conditions of the original contract remain in full force and effect, except as modified herein.

EMMERT DEVELOPMENT COMPANY

METRO

Signature

Signature

Print name and title

Print name and title

Date

Date

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 03-3285 FOR THE PURPOSE OF APPROVING AMENDMENT NO. 2 TO THE LATEX PAINT WAREHOUSE LEASE, CONTRACT NO. 922707

January 31, 2003

Prepared by: Ray Barker

BACKGROUND

Metro currently leases warehouse space for storage of recycled latex paint that has been received at Metro's Household Hazardous Waste facilities and processed at Metro's latex paint facility for sale to the general public, non-profit organizations and governmental agencies. The latex paint facility has limited storage capacity and most of the capacity is needed to stage incoming paint and for paint processing operations. Warehouse space is needed to store the excess inventory of paint.

Metro's Engineering & Environmental Services Division plans to move the latex paint recycling facility and retail sale operations to a new facility that is more centrally located, is large enough to meet the growing demand for Metro's recycled paint, and allows recycled paint to be sold without requiring customers to wait in long lines. In addition, paint could be stored at the new facility. The existing warehouse storage space, however, will be needed until a new facility is available. It is estimated that a new facility will be available within 12 months.

The existing warehouse is leased from Emmert Development Company. It is located on Highway 212 in Clackamas. Metro leases 6,000 square feet of space for \$2,200 per month. The Lessor pays for water and sewer; Metro pays for gas, garbage and electricity.

The Division proposes an amendment to extend the lease to February 29, 2004, with the last six months of the lease to be on a month-to-month basis. The lease amount of \$2,200 per month would remain the same.

ANALYSIS/INFORMATION

1. **Known Opposition**

None

2. **Legal Antecedents**

Metro Code, Chapter 2.04, Metro Contract Policies, Section 2.04.058, Public Contract Amendments, provides for amendments to public contracts by the "executive officer" when certain conditions are met. The proposed contract amendment does not meet those conditions, therefore, it cannot be amended without the express approval of the Metro Council.

3. **Anticipated Effects**

Adoption of Resolution No. 03-3285 would extend the termination date and increase the contract amount of Metro Contract No. 922707 for leasing warehouse space for Metro's recycled latex paint. It would allow time for Metro to obtain new latex paint recycling facilities.

4. Budget Impacts

The annual cost of Amendment No. 2 is estimated to be \$26,400. It is provided for in the FY 2002-2003 Budget.

RECOMMENDED ACTION

The Chief Operating Officer recommends approval of Resolution No. 03-3285.

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