

BEFORE THE METRO COUNCIL

**FOR THE PURPOSE OF SUBMITTING TO ) RESOLUTION NO. 10-4178**  
**THE METRO COUNCIL A PROPOSAL FOR )**  
**THE INVESTMENT OF \$475, 000 FROM THE ) Introduced by Councilor Park**  
**METRO TOURISM OPPORTUNITY AND**  
**COMPETITIVENESS ACCOUNT (“MTOCA”)**  
**FOR CAPITAL PROJECTS AT THE OREGON**  
**CONVENTION CENTER.**

WHEREAS, the 2010-11 adopted budget includes a transfer of \$475,000 from Metro general fund MTOCA to the MERC Fund; and

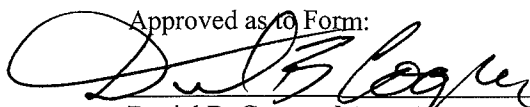
WHEREAS, in Resolution No. 04-3494A, the Metro Council stated its desire that annual requests for appropriations from MTOCA be set out for discussion, consideration, and action in a manner separate and discrete from general budget process; and continue with explanatory statements; and

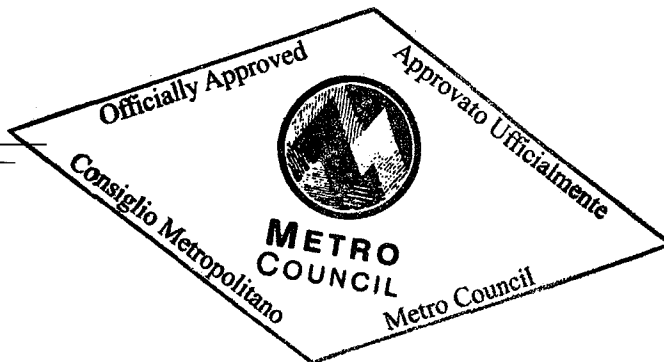
WHEREAS, at its public meeting on August 4, 2010 the MERC Commission approved Resolution 10-16 recommending to the Metro Council, a request for phase II of the moveable air-wall refurbishment replacement and maintenance project (\$220,000), phase II of the Variable Air Volume (VAV) controllers and CO2 sensor upgrade (\$105,000), add automatic hand dryers to all restrooms (\$150,000) for a total amount of \$475,000, funds included in the FY 2010-11 budget from the MTOCA account.

BE IT RESOLVED that the Metro Council approves the recommendation of an expenditure of \$475,000 previously budgeted during the general FY 2010-11 budget process of \$220,000 for phase II of the moveable air-wall refurbishment replacement and maintenance project, \$105,000 for phase II of the Variable Air Volume (VAV) controllers and CO2 sensor upgrade, \$150,000 to add automatic hand dryers to all restrooms for the Oregon Convention Center, with the MTOCA funds.

ADOPTED by the Metro Council this 12th day of August, 2010.

  
David Bragdon, Council President

Approved as to Form:  
  
Daniel B. Cooper, Metro Attorney



## **STAFF REPORT**

IN CONSIDERATION OF RESOLUTION NO.10-4178 FOR THE PURPOSE OF SUBMITTING TO THE METRO COUNCIL A PROPOSAL FOR THE INVESTMENT OF \$475,000 FROM THE METRO TOURISM OPPORTUNITY AND COMPETITIVENESS ACCOUNT (“MTOCA”) FOR CAPITAL PROJECTS AT THE OREGON CONVENTION CENTER

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Date: August 4, 2010

Prepared by: Cynthia Hill/Jeff Blosser

### **BACKGROUND**

The Metro Council has approved a Policy and Guidelines for establishing a process and criteria for proposed investments from the Metro Tourism and Opportunity and Competitiveness Account. This resolution reflects the recommendation of the MERC Commission as stated in Exhibit A, MERC approved Resolution 10-16:

The three projects were identified as needed capital projects in the 2009-10 budget process. Due to available funding, the moveable air-wall retrofit/refurbishment and the variable air volume (VAV) controllers and CO2 sensors upgrade projects were phased over two fiscal years. FY 2010-11 is the second year of the phased projects. The entire scope of work needed to complete each project was bid out in one package, and contractors were selected through an RFB process last fiscal year, and contracted to perform all of the necessary work. Both projects are on schedule and progressing as planned. MTOCA funds need to be approved and assigned to these projects in the current fiscal year to keep the work moving forward to completion. The Hand Dryer project would be bid out and work completed in this fiscal year.

**Goal #1: Targeted capital investments in the Oregon Convention Center’s physical plant that yield demonstrable marketing advantages.**

- **Strategy A: Green Building (LEEDS) Certification.**
  - The Hand Dryer project, which installs hand dryers in all restrooms at the Oregon Convention Center (OCC) was originally budgeted in FY 2009-10, however due to available funding, it was carried forward into FY 2010-11. The Hand Dryers will reduce the purchasing of paper towels and save event related labor costs to service the restrooms.
  - The Variable Air Volume (VAV) Controls and CO2 Sensor upgrade will reduce electrical consumption, reduce service labor on the equipment and help towards the LEED re-certification of the Oregon Convention Center.

**Goal #3 Maintain the Oregon Convention Center in First Class Condition**

- **Strategy A – Ensure sufficient funds for basic OCC cleaning, maintenance and event service.**
  - The Moveable Air-Wall project is strictly geared toward protecting current assets and making sure OCC provides superior customer service to our meeting room, ballroom and exhibit hall users wanting to divide their spaces for the program needs.

There is an appropriation of \$475,000 included in the FY 2010-11 Adopted Budget. Exhibit “A” includes a recap of the MTOCA project funding and actual expenditures by year through June 30, 2010.

<u>Fiscal Year</u>	<u>Resources</u>	<u>Uses</u>	<u>Balance</u>
Transfer from Metro FY 2004-05	\$ 504,000	\$ 28,642	
Transfer from Metro, adjust to prior year	36,143		
Transfer from Metro FY 2005-06	636,208	348,126	
Transfer from Metro FY 2006-07	652,113	1,140,551	
Transfer from Metro FY 2007-08	669,720	980,865	
Transfer from Metro FY 2008-09 (includes PY Adjustment)	746,146	462,656	
Transfer from Metro FY 2009-10	187,252	257,049	
<b>Totals</b>	<b>\$3,431,582</b>	<b>\$3,217,889</b>	<b>\$213,693</b>

Venue capital projects and funding are presented to the MERC Budget Committee, MERC Commission and Metro Council for consideration during the general budget development process. Staff will look at options to include the MTOCA project approval process within the budget development process and bring recommendations back to Council for consideration.

#### ANALYSIS/INFORMATION

1. **Known Opposition** None
2. **Legal Antecedents** Resolution No. 04-3494A, the Metro Council stated its desire that annual requests for appropriations from MTOCA be set out for discussion, consideration, and action in a manner separate and discrete from general budget process; and continue with explanatory statements.
3. **Anticipated Effects** Enhance the overall ability for OCC Staff to keep the building in first class condition for our clients, reduce costs of the operation and improve the functionality of the facility for events.
4. **Budget Impacts** See attached Metropolitan Exposition Recreation Commission Staff Report.

#### RECOMMENDED ACTION

Staff recommends that Council adopt Resolution 10-4178, approving the expenditure \$475,000 as currently appropriated as follows: \$220,000 for phase II of the moveable air-wall refurbishment replacement and maintenance project, \$105,000 for phase II of the Variable Air Volume (VAV) controllers and CO2 sensor upgrade, \$150,000 to add automatic hand dryers to all restrooms for the Oregon Convention Center, with MTOCA funds.

METROPOLITAN EXPOSITION-RECREATION COMMISSION

**Resolution No. 10-16**

For the purpose of submitting to the Metro Council a proposal for the investment of \$475,000 from the Metro Tourism Opportunity and Competitiveness Account (“MTOCA”) for three capital projects at the Oregon Convention Center. These projects are 1) Phase II of the Moveable Air-Wall Project for \$220,000; 2) Phase II of VAV Controllers and CO2 Sensors on AHUs LEED Certification \$105,000; and 3) Hand Dryer Installation in the Restrooms for \$150,000.

WHEREAS, the FY 2010-11 adopted budget includes a transfer of \$475, 000 from Metro general fund MTOCA account to the MERC Fund; and

WHEREAS, in Resolution No. 04-3494A, the Metro Council stated its desire that annual requests for appropriations from MTOCA be set out for discussion, consideration, and action in a manner separate and discrete from general budget process; and

WHEREAS, the Commission must approve and recommend to the Metro Council any requests from the MTOCA fund; and

Whereas, the Commission desires to request funds for phase II of the moveable air-wall refurbishment replacement and maintenance project (\$220,000), phase II of the VAV controllers and CO2 sensor upgrade (\$105,000), add automatic hand dryers to all restrooms (\$150,000) for a total amount of \$475,000 funds included in the FY 2010-11 budget from the MTOCA account.

**BE IT THEREFORE RESOLVED that MERC approves the recommendation to the Metro Council of an expenditure of \$475,000 from the MTOCA, previously budgeted during the general FY 2010-11 budget process, and respectfully requests that the Metro Council approve the expenditure of \$475,000 from the MTOCA account for three capital projects at the Oregon Convention Center. These projects are: 1)Phase II of the Moveable Air-Wall Project for \$220,000; 2) VAV Controllers and CO2 Sensors on AHUs LEED Certification for \$105,000; and 3) Hand Dryer Installation in the Restrooms for \$150,000.**

Passed by the Commission on August 4, 2010.

\_\_\_\_\_  
Chair

Approved as to Form:  
Daniel B. Cooper, Metro Attorney

\_\_\_\_\_  
Secretary-Treasurer

By: \_\_\_\_\_  
Nathan A. Schwartz Sykes  
Senior Attorney

## MERC Staff Report

**Agenda Item/Issue:** For the purpose of submitting to the Metro Council a proposal for the investment of \$475,000 from the Metro Tourism Opportunity and Competitiveness Account (MTOCA) for three separate capital projects at the Oregon Convention Center. These projects are 1) Phase II of the Moveable Air-Wall Project for \$220,000; 2) Phase II of VAV Controllers and CO2 Sensors on AHUs LEED Certification \$105,000; and 3) Hand Dryer Installation in the Restrooms for \$150,000.

**Resolution No.:** 10-16

**Presented By:** Jeffrey A. Blosser

**Date:** August 4, 2010

**Background and Analysis:** The three projects were identified as needed capital projects in the 2009-10 budget process, but due to available funding, the Moveable Air-Wall retrofit/refurbishment and the VAV Controllers and CO2 Sensors upgrade projects were phased over two fiscal years. The entire scope of work needed to complete each project was bid out in one package and contractors were selected through an RFB process last fiscal year and contracted to perform all of the necessary work. Both projects are on schedule and progressing as planned. MTOCA funds need to be approved and assigned to these approved projects now in this current fiscal year of 2010-11 to keep the work moving forward to completion. The Hand Dryer project was carried into this fiscal year again due to the shortfalls in the funding for this type of project and would be bid out and work to be completed in this fiscal year. The Hand Dryers will reduce the purchasing of paper towels and save event related labor costs to service the restrooms. The VAV Controls will reduce electrical consumption, reduce service labor on the equipment and help towards the LEED re-certification of the Oregon Convention Center. The Moveable Air-Wall project is strictly geared towards protecting a current asset and making sure OCC provides superior customer service to our meeting room, ballroom and exhibit hall users wanting to divide their spaces for the program needs. These three projects meet the criteria established by Metro for using MTOCA funds and were identified as the funding source for these needed projects. All projects were approved through the budgeting process by the MERC Commission and the Metro Council.

Venue capital projects and funding are presented to the MERC Budget Committee, MERC Commission and Metro Council for consideration during the general budget development process. Staff will look at options to include the MTOCA project approval process within the budget development process and bring recommendations back to Council for consideration.

**MTOCA Year to Date as of June 30, 2010**

	<u>Resources</u>	<u>Uses</u>	<u>Balance</u>
Excise Tax from Metro 2004-05 FY	\$ 504,000	\$ 28,642	
Excise Tax from Metro, adjust to actual collections 2004-05 FY	36,143		
Excise Tax from Metro 2005-06 FY	636,208	348,126	
Excise Tax from Metro 2006-07 FY	652,113	1,140,551	
Excise Tax from Metro 2007-08 FY	669,720	980,865	
Excise Tax from Metro 2008-09 FY (includes PY Adjustment)	746,146	462,656	
Excise Tax from Metro 2009-10	187,252	257,049	
	<hr/>		
<b>Totals</b>	<b><u>\$3,431,582</u></b>	<b><u>\$3,217,889</u></b>	<b><u>\$213,693</u></b>

**Fiscal Impact:** All three projects have been approved by the MERC Commission and the Metro Council in the budget process and are included in the 2010-11 fiscal year budget. There are no additional costs for these projects.

**Recommendation:** Staff recommends that the Metropolitan Exposition-Recreation Commission adopt Resolution 10-16 and submit the Capital Project items of the Hand Dryer Installation, VAV Controls and CO2 sensors installation and phase II of the Moveable Air-Wall refurbishment projects to Metro Council to be approved with a total cost of \$475,000, funded from the Metro Tourism Opportunity and Competitiveness Account as adopted in the 2010-11 budget.

# Metro Tourism Opportunity and Competitiveness Account

Oregon Convention Center

as of June 30, 2010

<u>Resources</u>	<u>Amount</u>
Excise Tax from Metro 2004-05 FY	504,000
Excise Tax from Metro, adjust to actual collections 2004-05 FY	36,143
Excise Tax from Metro 2005-06 FY	636,208
Excise Tax from Metro 2006-07 FY	652,113
Excise Tax from Metro 2007-08 FY	669,720
Excise Tax from Metro 2008-09 FY (includes PY Adjustment)	746,146
Excise Tax from Metro 2009-10 FY	187,252
<b>Total Resources</b>	<b>3,431,582</b>
 <b><u>Project Expenditures</u></b>	
<b>Green Building LEED Certification (Goal 1 Strategy A)</b>	
Retrofit existing building to meet LEED standards - Metro Ordinance 04-1064	
Rebuild chiller units and ventilation noise abatement	430,544
Replace Toilets/Urinals-Sloan uppercut flush valve	69,479
Variable Frequency Drives	129,148
Green Building LEED Certification	60,945
<b>Subtotal Green Building LEED Certification</b>	<b>690,116</b>
 <b>Priority Audio Visual Control Room - original building (Goal 1 Strategy B)</b>	
Replace analog system in original building due to failure and lack of replacement parts. - Metro Resolution 05-3613	
	1,138,348
<b>Subtotal Audio Visual Control Room Project</b>	<b>1,138,348</b>
 <b>Headquarter Hotel (Goal #1 Strategy C)</b>	
2007-08 MTOCA Funding Developer Agreement	669,720
2008-09 MTOCA Funding HQH project costs	462,656
2009-10 MTOCA Funding HQH carryover project costs	4,750
<b>Subtotal Headquarter Hotel Year to Date</b>	<b>1,137,126</b>
 <b>Maintain the Oregon Convention Center in First Class Condition (Goal #3 Strategy A)</b>	
Year one of two year project to refurbish Divider Air Walls (\$340,000)	252,299
Lighting & Ballast Replacement /retrofit (Grant match \$125,000)	-
<b>Subtotal 2009-10 Priorities</b>	<b>252,299</b>
 <b>Total Project Expenditures</b>	 <b>3,217,889</b>
 <b>Ending Balance (Resources less Total Project Expenditures)</b>	 <b>213,693</b>

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## MTOCA Goals

Goal 1	Targeted capital investments in the Oregon Convention Center's physical plant that yield demonstrable marketing advantages. Strategy A -- Green Building LEED Certification Strategy B -- OCC Operational Advantage Strategy C -- Headquarters Hotel Related Investments
Goal 2	Assist the Visitor Development Fund with Oregon Convention Center Facility Costs. Strategy A -- Offset Facility Costs when VDI allocation not fully funded
Goal 3	Maintain the Oregon Convention Center in First Class Condition Strategy A -- Ensure sufficient funds for basic OCC cleaning, maintenance, and event service