

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 13-06

Amending MERC's 5 Year Capital Plan for the Oregon Convention Center (OCC) Main Kitchen, Original Cooler Remodel project cost from \$329,573 to \$405,000 and recommending that the Metro Council amend the FY 2012-13 through FY 2016-17 Capital Improvement Plan (CIP)

WHEREAS, the Metropolitan Exposition Recreation Commission's (MERC) Capital Asset Management Policy requires any project exceeding \$100,000 receive Commission approval; and

WHEREAS, Metro's adopted financial policies require any project exceeding \$100,000 or an existing CIP project increasing greater than 20 percent receive Council approval; and

WHEREAS, MERC approved the Main Kitchen, Original Cooler Remodel contract by Resolution 12-22 increasing the project cost from \$250,000 to \$329,573 and amended the MERC Capital Plan to reflect this change in cost; and

WHEREAS, MERC approved Resolution 12-23 increasing the project cost from \$329,573 to \$387,188, a 17% increase; and

WHEREAS, the Main Kitchen, Original Cooler Remodel estimated costs have increased to \$405,000 which is an increase of over 20% that requires an amendment by MERC to the 5 year Capital Plan as well as a Metro Council amendment to the CIP; and

WHEREAS, adequate appropriation exists to fund the increase.

BE IT THEREFORE RESOLVED, that the Metropolitan Exposition Recreation Commission:

1. Amends MERC's 5 Year Capital Plan for the OCC Main Kitchen, Original Cooler Remodel project cost from \$329,573 to \$405,000; and
2. Recommends that the Metro Council amend the FY 2012-13 through FY 2016-17 CIP to increase the cost of the Main Kitchen, Original Cooler Project from \$329,573 to \$405,000.

Passed by the Commission on March 6, 2013.

Approved as to form:

Alison Kean Campbell, Metro Attorney

By:

Nathan A. Schwartz Sykes, Senior Attorney

Chair

Secretary/Treasurer

## MERC Staff Report

**Agenda Item/Issue:**

Amending MERC's 5 Year Capital Plan; and recommending that the Metro Council amend the FY 2012-13 through FY 2016-17 Capital Improvement Plan (CIP)

**Resolution No:** 13-06

**Presented By:**

Scott Cruickshank  
Cynthia Hill

**Date:** March 6, 2013

**Background and Analysis:** December 4, 2012, the MERC Commission approved Resolution 12-22 awarding a contract to SBS Construction and approving a recommendation to Metro to amend the OCC Main Kitchen Cooler Project. On December 21, 2012 the MERC Commission authorized the General Manager of Visitor Venues to sign a contract amendment, in the amount of \$73,000, for additional work on a contract with SBS Construction. When the amendment was proposed the commission approved budget was \$329,573. The amendment exceeded the approved project budget by 17% or a total of \$387,188 estimated project costs, but did not require a CIP amendment. The current project estimates are \$405,000 or 23% over the approved budget, which does require a CIP amendment. The added expenses are miscellaneous non-contract items, unanticipated structural engineering, mechanical work, stainless steel corner guards, and extra material needed to support the floor of the freezer. These additional funds will enable staff to properly complete the project. The improvements made to the kitchen through this project have already created efficiencies and improved food quality.

**Fiscal Impact:**

Projects funded from existing appropriations.

**Recommendation:**

Staff recommends that the Metropolitan Exposition Recreation Commission approve Resolution 13-06, to amend MERC's 5 Year Capital Plan; and recommend that the Metro Council amend the FY 2012-13 through FY 2016-17 Capital Improvement Plan (CIP) accordingly.