

**METROPOLITAN EXPOSITION RECREATION COMMISSION**

**RESOLUTION NO. 12-23**

**Amending the contract with SBS Construction and authorizing the General Manager of Visitor Venues to execute the amendment to the Main Kitchen Original Cooler Remodel Project - General Contractor Services at the Oregon Convention Center (OCC)**

**WHEREAS**, the Metropolitan Exposition Recreation Commission (MERC) approved a contract with SBS Construction to act as the general contractor for the replacement of kitchen equipment for its food operation at the OCC; and

**WHEREAS**, certain issues arose as the project progressed that require additional work outside the scope of the work approved by MERC; and

**WHEREAS**, the revised scope of work will cost an additional \$73,000.00; and

**WHEREAS**, Section 8(A) of MERC's Contracting and Purchasing Rules requires that MERC approve any contract amendment that exceeds 20% of the original contract award; and

**WHEREAS**, adequate appropriation exists to fund this increase to the Main Kitchen Cooler project; and

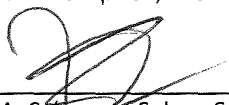
**WHEREAS**, OCC staff recommend that MERC approve this amendment to the SBS Construction contract.

**BE IT THEREFORE RESOLVED** as follows:

1. MERC approves the amendment to the OCC Main Kitchen Original Cooler Remodel - General Contractor Services in the amount of \$73,000.00 for a total contract amount of \$218,275.00.
2. MERC delegates authority to the General Manager of Visitor Venues to execute the contract amendment in a form substantially similar to the attached Exhibit A.

Passed by the Commission on December 21, 2012.

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:** Approval of contract amendment due to cost overruns for the Main Kitchen Original Cooler Remodel – General Contractor Services at the Oregon Convention Center.

**Resolution No:** 12-23

**Presented by:** Scott Cruickshank

**Date:** December 21, 2012

### **Background and Analysis:**

On December 4, 2012, the MERC Commission authorized the General Manager of Visitor Venues to sign to a contract with **SBS Construction** in the amount of **\$145,275.00** for the main kitchen original cooler remodel – General Contractor Services at the Oregon Convention Center. Once the original coolers and freezer were removed, it was determined that the concrete slab underneath the freezer was heaving and unlevel. This required unplanned removal of the slab. The removal exposed frozen soil materials of an approximate 20'x40' area 3 feet in depth. A severed drain line resided in this frozen material. It is necessary to fully excavate the concrete slab, remove all the frozen material, replace drain line, backfill with crushed rock, grade and pour a new concrete slab prior to the installation of the new freezer and coolers (\$58,000). Additionally, wall removal for the new corridor to dry storage from the hall revealed structural support systems for an existing stairway. Contractors will need to construct a new structural steel support beam for the stairway and reconstruct the wall surrounding the new entryway (\$15,000).

### **FISCAL IMPACT:**

The original contracted amount was **\$145,275.00**. The additional work will cost up to **\$73,000**. The additional expense will be funded from the ARAMARK capital fund.

### **RECOMMENDATION:**

Staff recommends that the Metropolitan Exposition Recreation Commission delegate authority to the General Manager of Visitor Venues to execute the amendment increasing the contract amount with **SBS Construction** to **\$218,275** to cover the additional costs of the project caused by the concealed concrete slab/soil issues and stairway structural support work. There will not be a need to modify the Capital Improvement Plan.