

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 17-18

For the purpose of approving and transmitting to the Metro Council budget amendments to the Metropolitan Exposition Recreation Commission (MERC) Fund Approved Budget for fiscal year 2016-17, and requesting amendment of the Capital Improvement Plan (CIP) FY 2016-17

WHEREAS, Metro Code 6.01.050 provides that MERC shall annually prepare and approve an annual budget which shall, to the maximum extent permitted by law, consist of one commission-wide series of appropriations; and

WHEREAS, MERC previously approved and transmitted to the Metro Council the fiscal year 2016-17 budget for the MERC Fund; and

WHEREAS, MERC staff request certain budget amendments to the Adopted Budget for fiscal year 2016-17 for the reasons described in the attached Staff Report.

BE IT THEREFORE RESOLVED THAT,

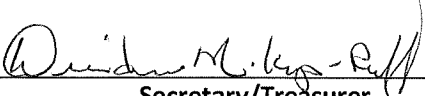
1. MERC approves the budget amendments to the MERC Fund for the fiscal year beginning July 1, 2016 and ending June 30, 2017 for inclusion as part of the total Metro budget for this period and approves the requested changes to the CIP as described in the attached Staff Report.
2. MERC requests that the Metro COO present these amendments to the Adopted Budget to the Metro Council for ratification.

Passed by the Commission on June 7, 2017.




Chair

Approved as to Form:
Alison R. Kean, Metro Attorney



Secretary/Treasurer

By: 

Nathan A. S. Sykes, Deputy Metro Attorney

MERC Staff Report

Agenda Item/Issue: For the purpose of approving and transmitting to the Metro Council a FY 2016-17 Budget and Capital Improvement Plan (CIP) amendment to the MERC Fund.

Resolution No: 17-18

Presented By: Ben Rowe

Date: June 7, 2017

Background and Analysis: Throughout the year, the MERC capital program confronts many project challenges, which sometimes require changes to the original project scope, schedule or budget. Specifically, many capital projects across the agency are currently experiencing significant disparities between project cost estimates and bid amounts due to the rapidly rising costs of commercial construction in the Portland Metro Area. It is currently a contractor's market. Often through the course of planning and executing the project unforeseen energy or operation efficiency opportunities are identified requiring nominal budget increases to implement. The six capital project budget scope changes presented below are complementary to each other.

The Expo Center is proposing the following Capital Project amendments to take advantage of product pricing, seasonal capacity, and a return on investment opportunity.

The Expo team has strategically chosen to delay the HVAC Review and Repair project to FY 2018-19 and use this project budget to fund both the materials purchase for the Halls D&E Roof refurbishment and the Expo sign replacement on Hall A.

The self-production of Expo's annual Drive-in Movie Extravaganza requires the use of a high-powered, high definition projector. In the past the Expo team has rented this equipment at a significant expense. Expo proposes to delay purchase of scaffolding to FY 2018 or 2019 and cancel the retrofit exhaust fans project due to the fire marshal's determination that we cannot use our indoor spaces for parking. This facilitates an increase of the budget for Audio Video equipment purchase. This strategy is forecasted to save money in the long-term and generate revenue through leasing to offset the cost of the equipment.

The proposed amendments do not increase Expo's capital budget but instead increases and decreases the projects budgets listed above by the same amounts for a net zero effect.

Portland Expo Center

Fund:		556 – Portland Expo Center		
Line Item	Project #	Amended Budget	Amendment	Amended Budget
HVAC Review & Repair	8R137	170,000	(170,000)	0
Hall A Carpet, Paint, Sign	8R149	0	25,000	25,000
Halls D&E Roof Refurbishment	8R136	779,500	145,000	924,500
Halls ABCDE Retrofit Exhaust Fans	8N065	25,000	(25,000)	0
Scaffolding Purchase	8N066	10,000	(10,000)	0
Audio Visual Equipment	8N020	50,000	35,000	85,000
Total Requirements:		\$1,034,500	\$0	\$1,034,500

Fiscal Impact: This action will amend the FY 2016-17 Adopted Budget subtracting and adding the amounts listed above among the appropriate capital project line items.

Recommendation: Staff recommends the Metropolitan Exposition Recreation Commission adopt Resolution 17-18.