

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 10-19

For the purpose of approving and transmitting a budget amendment to the MERC Fund for fiscal year 2010-11

WHEREAS, Metro Code 6.01.050 provides that the Commission 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, Metro Code 6.01.050(d) further provides that once the Commission's budget has been adopted by the Metro Council, any changes in the adopted appropriations must be ratified in advance by the Metro Council; and

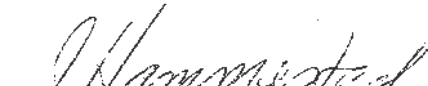
WHEREAS, the Commission previously approved and transmitted to the Metro Council the fiscal year 2010-11 budgets for the MERC Fund.


BE IT THEREFORE RESOLVED, that the Metropolitan Exposition Recreation Commission approves a budget amendment to the MERC Fund as described in the attached Staff Report and Exhibit A for the fiscal year beginning July 1, 2010 and ending June 30, 2011 for inclusion as part of the total Metro budget for this period.

Passed by the Commission on September 1, 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 approving and transmitting a budget amendment to the MERC Fund for fiscal year 2010-11

Resolution No: 10-19

Presented By: Cynthia Hill

Date: September 1, 2010

Background and Analysis:

The adopted budget includes \$89,000 to replace the chiller at the Antoinette Hatfield Hall. The existing Chiller which was, installed as part of the original building in 1984, has experienced many failures and has been repaired several times in the last few years, and has now come to the end of its useful life expectancy.

This budget amendment is requesting an additional \$200,000 from the Renewal and Replacement Contingency to fund the project cost of \$287,500 based on the current low bid. The fiscal impact will be offset by an incentive offer rebate from the Energy Trust of Oregon (ETO) in the amount of \$26,301.

The original project budget of \$89,000 was underestimated. It appears that the \$89,000 cost came from using a document from the Energy Trust of Oregon (ETO) to calculate energy rebates. The ETO has a line item cost for a chiller replacement of \$89,000, however this cost does not include all system costs and labor for a complete chiller installation and is an "internal calculation" used by ETO to determine a rebate cost. The ETO analysis should not have been the only source document used in generating a project estimate.

Two bids were received for this project. In review of these bids, staff has determined that the low bid of \$287,500 is in line with current chiller replacement costs and considered accurate for the work involved. It should also be noted that MERC paid \$261,000 in 2005 for the same specified chiller at the Keller Auditorium.

Fiscal Impact:

The request, although initially funded from \$200,000 renewal and replacement contingency and \$89,000 carryover included in the adopted budget, will be offset by a declaration of \$26,301 energy rebate.

Attachments to Resolution and/or Staff Report:

Exhibit A Schedule of Appropriations

Recommendation:

Staff recommends that the Metropolitan Exposition Recreation Commission adopt Resolution 10-19.

Exhibit A
Resolution 10-19
Schedule of Appropriations

	<u>Current Appropriation</u>	<u>Revision</u>	<u>Revised Appropriation</u>
MERC FUND			
MERC	43,669,107	200,000	43,869,107
Non-Departmental			
Debt Service	0	0	0
Interfund Transfers	3,681,630	0	3,681,630
Contingency	2,652,773	(200,000)	2,452,773
Unappropriated Balance	18,296,543	26,301	18,322,844
Total Fund Requirements	\$68,300,053	\$26,301	\$68,326,354

All other appropriations remain as previously adopted