

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 18-08

For the purpose of approving and transmitting to the Metro Council budget amendments to the Metropolitan Exposition Recreation Commission (MERC) Fund Budget for FY2017-18, and requesting amendment of the FY 2017-18 through FY 2021-22 Capital Improvement Plan (CIP).

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 2017-18 budget for the MERC Fund; and

WHEREAS, MERC staff request certain budget amendments to the Proposed Budget for fiscal year 2017-18 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, 2017 and ending June 30, 2018 for inclusion as part of the total Metro budget for this period.
2. MERC requests that the Metro COO present these amendments to the Proposed Budget to the Metro Council for ratification.

Passed by the Commission on May 2, 2018.


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 2017-18 Budget and Capital Improvement Plan (CIP) amendment to the MERC Fund.

Resolution No: 18-08

Presented By: Rachael Lembo, MERC Finance Manager

Date: May 2, 2018

Background and Analysis:

FY 2017-18 Budget Amendment – Portland’s Centers for the Arts

Box office costs related to Hamilton ticket sales were more than expected due to price level of tickets. Ticket prices are set by the presenter, Broadway Across America, and were not known at the time of FY 2017-18 budget development. The higher ticket prices also resulted in increased box office revenues.

This amendment will increase the budget for ticket agency and credit card fees by \$220,000.

FY 2017-18 CIP Amendment – Portland’s Centers for the Arts

The following amendments are budget adjustments in existing projects:

Point of Sale (POS)

- Total project budget change – increase from \$130,000 to \$172,000
- FY 2017-18 budget appropriation change – no change, costs can be absorbed within current budget

Pacificwild and the MERC venues have been working towards a solution to replace the end-of-life point of sale (POS) software, upgrade to portable devices and implement PCI compliance. During planning pacificwild identified high priority locations for additional devices at Portland’s. These additional devices will have additional cost, requiring an increase to the total project budget. However, the costs will be covered by pacificwild’s existing budget for capital items, so no change in appropriation is necessary.

The following amendments are timing adjustments on the five-year CIP schedule.

Arlene Schnitzer Concert Hall (ASCH) Elevators

- Total project budget change – no change, timing only
- FY 2017-18 budget appropriation change – increase from \$0 to \$560,000

The ASCH back of house and front of house elevator project will begin this summer when the ASCH is dark for the shell replacement. It was initially planned for the project to start in July, but due to availability on the schedule it will begin in June. The bulk of the costs are for materials which will now be incurred in FY 2017-18. There is no change to the overall project budget, this amendment only shifts the budget from FY 2018-19 to FY 2017-18.

Keller Electrical Infrastructure Update

- Total project budget change – no change, timing only
- FY 2017-18 budget appropriation change – increase from \$0 to \$300,000

The Keller electrical infrastructure update project is scheduled to occur in FY 2018-19. To ensure installation prior to the busy spring season at the Keller, some equipment must be purchased this fiscal year. This amendment requests a timing change to shift a portion of the budget to FY 2017-18.

FY 2017-18 Budget Impact

Project Description	Project #	FY 17-18 Current Budget	Amendment	FY 17-18 Amended Budget
Box office ticket fees		1,750,279	220,000	1,970,279
ASCH Elevators	8R204/5	0	560,000	560,000
Keller Electrical Infrastructure	8R155	0	300,000	300,000
Subtotal		1,750,279	1,080,000	2,830,279
Contingency		9,808,200	(1,080,000)	8,728,200
Net Amendment			0	

Fiscal Impact: This action will amend the FY 2017-18 budget as shown above. The revised five year CIP is included as Attachment 1.

Recommendation: Staff recommends the Metropolitan Exposition Recreation Commission adopt Resolution 18-08.

MERC Resolution 18-08 Attachment 1

Portland's Amended CIP Summary							
	ID	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	Total
Portland's Centers for the Arts Projects							
P'5 Capital projects < \$100k		420,000	355,000	75,000	60,000	-	910,000
ASCH Shell Rigging	8R092	1,455,000	1,845,000	-	-	-	3,300,000
P'5 - AHH Newmark Lighting System Overhaul - Phase II	8R089	673,063	-	-	-	-	673,063
P5 ASCH BOH Elevators Overhaul	8R204	320,000	80,000	-	-	-	400,000
P5 Keller Main Switchgear (R&R)	8R155	300,000	300,000	-	-	-	600,000
P'5 - AHH Winingstad House Lighting Controls & Dimmers	8R090	273,550	-	-	-	-	273,550
P5 ASCH FOH Elevators Overhaul	8R205	240,000	60,000	-	-	-	300,000
P5 AHH/ASCH/Keller Access Control/CCTV replacement	8R178	200,000	-	-	-	-	200,000
ASCH - Portland Sign Assessment & Refurb Scoping	8R099	150,000	-	-	-	-	150,000
P5 AHH Food Service PO system replacement	85110	172,000	-	-	-	-	172,000
P5 AHH Roof	8R179	150,000	300,000	-	-	-	450,000
P5 ArtBar Bar Rplcmnt	85108	75,000	325,000	-	-	-	400,000
P5 ASCH Chamber Lighting	8R177	25,000	150,000	-	-	-	175,000
ASCH - Cooling Tower Replacement	8R120	10,000	350,000	-	-	-	360,000
P5 Keller Wall Panels	8R145	-	3,000,000	-	-	-	3,000,000
P5 ASCH Piano Replacement	P5TBD71	-	550,000	-	-	-	550,000
P5 Keller Building HVAC Controls & Stage HVAC	P5TBD56	-	500,000	-	-	-	500,000
P5 Keller HVAC Controls Upgrades (R&R)	P5TBD15	-	350,000	-	-	-	350,000
P5 Keller Electric Panels	8R158	-	300,000	-	-	-	300,000
P5 AHH - Backstage Elevator Overhaul	8R121	-	270,000	-	-	-	270,000
AHH, ASCH, Keller - Stage Doors and Office Plan	8R101	-	200,000	-	-	-	200,000
P5 ASCH Broadway Marquee	P5TBD55	-	175,000	200,000	-	-	375,000
P5 AHH Rotunda/Bistro Carpet Replacement	P5TBD53	-	150,000	-	-	-	150,000
P5 Keller Interior Paneling Repairs	P5TBD52	-	100,000	-	-	-	100,000
P5 ASCH Roof Drains	P5TBD51	-	100,000	-	-	-	100,000
P5 AHH/ASCH/Keller ADA updates	P5TBD47	-	30,000	50,000	-	95,000	175,000
P5 AHH FOH Elvtr Ovrhl	8R152	-	-	575,000	-	-	575,000
P5 Keller Stage Pit Lifts Overhaul	P5TBD66	-	-	350,000	-	-	350,000
P5 Keller Carpet Front of House	P5TBD64	-	-	150,000	-	-	150,000
P5 Keller Main Speakers	P5TBD65	-	-	150,000	-	-	150,000
P5 ASCH Park Street Marquee	P5TBD63	-	-	125,000	175,000	-	300,000
P5 ASCH Seat cushion/fabric replacement	P5TBD62	-	-	100,000	100,000	-	200,000
P5 AHH Storage Racking System	P5TBD61	-	-	100,000	-	-	100,000
P5 AHH Demand Control Ventilation HVAC	P5TBD57	-	-	20,000	125,000	-	145,000
P5 AHH EIFS Replacement Phase III	P5TBD70	-	-	-	400,000	-	400,000
P5 Keller FOH Elevator Overhauls	P5TBD59	-	-	-	-	650,000	650,000
P5 Keller Backstage Dressing Tower Elevator	8R175	-	-	-	-	300,000	300,000
P5 AHH Freight Elevator Overhaul	P5TBD72	-	-	-	-	100,000	100,000
Information Systems and Property and Eviron. Services							
Projects							
VOIP Phone System Upgrade Phase II	65701C	141,521	-	-	-	-	141,521
VOIP Phone System Upgrade	65701B	72,600	-	-	-	-	72,600
Portland's Centers for the Arts Fund Total		\$4,677,734	\$9,490,000	\$1,895,000	\$860,000	\$1,145,000	\$18,067,734
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Total changes in proposed amendment		\$902,000	(\$560,000)	\$0	\$0	\$0	\$342,000