

METROPOLITAN EXPOSITION RECREATION COMMISSION

Résolution No. 18-11

For the purpose of approving and transmitting to the Metro Council budget amendments to the Metropolitan Exposition Recreation Commission (MERC) Fund Budget for FY2018-19, and requesting amendment of the FY 2018-19 through FY 2022-23 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 2018-19 budget for the MERC Fund; and

WHEREAS, MERC staff request certain budget amendments to the Proposed Budget for fiscal year 2018-19 for the reasons described in the attached Staff Report.

BE IT THEREFORE RESOLVED THAT,

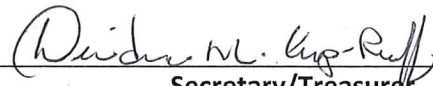
1. MERC approves the budget amendments to the MERC Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019 for inclusion as part of the total Metro budget for this period.
2. MERC requests that the Metro COO present these amendments to the Proposed Budget to the Metro Council for ratification.

Passed by the Commission on October 3, 2018.



Chair

Approved as to Form:
Nathan A. S. Sykes, Acting Metro Attorney



Secretary/Treasurer

By: 

Nathan A. S. Sykes, Acting Metro Attorney

MERC Staff Report

Agenda Item/Issue: For the purpose of approving and transmitting to the Metro Council a FY 2018-19 Budget and Capital Improvement Plan (CIP) amendment to the MERC Fund.

Resolution No: 18-11

Presented By: Rachael Lembo, MERC Finance Manager

Date: October 3, 2018

Background and Analysis:

CIP Amendment – Portland’s Centers for the Arts

The following amendment is a budget adjustment in existing projects:

Arlene Schnitzer Concert Hall Orchestra Shell (ASCH) Replacement

- Total project budget change – increase of \$4.7 million, contingent on additional funding.
- FY 2018-19 appropriation change – increase of \$350,000

The main objective of this project is the replacement of the current orchestra shell with an integrated electronically enhanced acoustic system. The scope includes:

- Acoustical shell removal and disposal
- Installation of the Meyer Constellation System- including the addition of audio and electrical infrastructure
- Visual “shell” components (portable stage scenery pieces and drapery)
- Auditorium acoustical and device concealment treatments
- Concert lighting (replacement of current shell lighting with LED fixtures)
- Decorative proscenium & organ loft curtains inspired by the original design

This project was originally proposed as a \$3.3 million project, with \$3 million in outside funding and an estimated completion date of September 2018. The original estimate was prior to design work, and did not consider the access challenges in a historical building and the full extent of the necessary electrical infrastructure. Due to the increased cost projections construction did not occur this past summer. The current estimate is \$8 million.

Not moving forward with this project would require a new solution to the existing orchestra shell, which is at the end of its useful life. Portland’s believes the electric acoustical solution is the most advantageous as it provides a benefit to all ASCH users. Portland’s has secured \$3.5 million in funding, and has made additional requests for \$3 million. Should this funding be provided, Portland’s’s net cost of the project would be \$1.5 million. The increase of \$1.2 million in net Portland’s costs is covered by deferral of other projects, \$700,000, and reserves, \$500,000.

The following projects will be deferred from the five-year CIP to shift resources to the ASCH Orchestra Shell Replacement:

ASCH Roof Drains

- Total project budget change - \$250,000 deferred
- FY 2018-19 appropriation change – decrease of \$250,000

ASCH Chamber Lighting

- Total project budget change - \$175,000 deferred
- FY 2018-19 appropriation change – decrease of \$175,000

ASCH Cooling Airflow Study

- Total project budget change - \$100,000 deferred
- FY 2018-19 appropriation change – decrease of \$100,000

Hatfield Hall Stage Door Area Rebuild

- Total project budget change - \$175,000 deferred
- FY 2018-19 appropriation change – decrease of \$25,000

The following amendment is a scope change in existing projects:**ArtBar/Lobby Furniture Replacement**

- Change of scope to Keller Café
- FY 2018-19 appropriation change – decrease of \$175,000

Portable Concession Kiosks

- Change of scope to Keller Café
- FY 2018-19 appropriation change – decrease of \$175,000

Keller Cafe

- New project
- FY 2018-19 appropriation change – increase of \$350,000

Portland’s and Pacificwild have determined a re-design of the Keller Café is the highest priority of food and beverage capital projects. The café is an important revenue stream for shows scheduled at the Keller. This project is an enhancement of the space to include new furniture, flooring, room dividers and screens.

The following amendment is a timing adjustment on the five-year CIP schedule:**Keller Camera/Security System**

- Total project budget change – no change, timing only
- FY 2018-19 budget appropriation change – increase of \$200,000

The Keller Camera/Security System project is currently budgeted in FY 2019-20, but due to recent incidents at the Keller the project will be shifted to the current year.

FY 2018-19 Budget Impact

Project Description	Project #	FY 18-19 Current Budget	Amendment	FY 18-19 Amended Budget
ASCH Orchestra Shell Replacement	8R092	1,845,000	350,000	2,195,000
ASCH Roof Drains	8R215	250,000	(250,000)	0
ASCH Chamber Lighting	8R177	175,000	(175,000)	0
ASCH Cooling Airflow Study	8N075	100,000	(100,000)	0
Hatfield Hall Stage Door Area Rebuild	8R221	25,000	(25,000)	0
ArtBar/Lobby Furniture Replacement	8R218	175,000	(175,000)	0
Portable Concession Kiosks	85105	175,000	(175,000)	0
Keller Café	TBD	0	350,000	350,000
Keller Camera/Security System	TBD	0	200,000	200,000
Total		2,745,000	0	2,745,000

Fiscal Impact: This action will amend the FY 2018-19 Adopted Budget as shown above. The revised five-year CIP is included as Attachment 1.

Recommendation: Staff recommends the Metropolitan Exposition Recreation Commission adopt Resolution 18-11.

MERC Resolution 18-11 Attachment 1

Portland'S Centers for the Arts CIP Summary
Fiscal Year 2019

	Mgmt	ID	Prior Years	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	Total
Schnitzer Orchestra Shell Replacement	CPMO	8R092	462,092	2,195,000	3,900,000	1,442,908	-	-	8,000,000
AHH Roof	CPMO	8R179	90,000	1,107,000	1,228,000	-	-	-	2,425,000
Keller Electrical Infrastructure Update	Venue	8R155	300,000	550,000	-	-	-	-	850,000
KA Generator Fuel Storage	Venue	8R214	-	350,000	-	-	-	-	350,000
Keller Café	Venue	TBD	-	350,000	-	-	-	-	350,000
ASCH Piano Replacement	Venue	8R216	-	200,000	-	-	-	-	200,000
Newmark Main Speakers	Venue	8R128	-	200,000	-	-	-	-	200,000
KA Camera/Security System	CPMO	P5TBD85	-	200,000	-	-	-	-	200,000
Newmark Piano Replacement	Venue	8R217	-	150,000	-	-	-	-	150,000
Voice over Internet Protocol (VoIP)		65701	154,000	110,000	-	-	-	-	264,000
KA Fall Arrest	CPMO	8R219	-	100,000	-	-	-	-	100,000
ASCH FOH Elevators Overhaul	CPMO	8R205	240,000	60,000	-	-	-	-	300,000
ASCH Broadway and Park Marquees	CPMO	8R220	-	50,000	800,000	-	-	-	850,000
ASCH Backstage Dressing Tower Elevator	CPMO	8R204	320,000	80,000	-	-	-	-	400,000
AHH/ASCH/Keller ADA signage	Venue	8R182	50,000	30,000	50,000	95,000	-	-	225,000
ASCH Orchestra concession rebuild	CPMO	P5TBD77	-	-	600,000	-	-	-	600,000
KA Catwalk at FOH	CPMO	P5TBD75	-	-	350,000	-	-	-	350,000
ASCH Box office rebuild	CPMO	P5TBD74	-	-	250,000	-	-	-	250,000
AHH Video monitors for poster cases	Venue	P5TBD82	-	-	50,000	-	-	-	50,000
ASCH - Cooling System Replacement	CPMO	8R120	-	-	-	1,200,000	-	-	1,200,000
ASCH New Seats	Venue	P5TBD84	-	-	-	600,000	-	-	600,000
KA New PA (Monitors, Amps, Mains)	Venue	P5TBD89	-	-	-	400,000	-	-	400,000
Keller Building HVAC Controls & Stage HVAC Imp	CPMO	P5TBD56	-	-	-	250,000	-	-	250,000
AHH Rotunda/Bistro Carpet Replacement	Venue	P5TBD53	-	-	-	150,000	-	200,000	350,000
AHH 4th and 5th floor remodel	Venue	P5TBD92	-	-	-	150,000	-	-	150,000
AHH Lobby Storefront Doors Replacement (R&R)	Venue	P5TBD13	-	-	-	82,000	-	-	82,000
Winnigstad Seating replacement	Venue	P5TBD81	-	-	-	75,000	-	-	75,000
AHH Park Street lobby door replacement	Venue	P5TBD80	-	-	-	50,000	-	-	50,000
KA Lobby Monitors	Venue	P5TBD90	-	-	-	50,000	-	-	50,000
Keller Stage Pit Lifts Overhaul	CPMO	P5TBD66	-	-	-	-	500,000	-	500,000
AHH Freight Elevator Overhaul	CPMO	P5TBD72	-	-	-	-	400,000	-	400,000
Keller Backstage Dressing Tower Elevator	CPMO	8R175	-	-	-	-	300,000	-	300,000
Newmark Seating replacement	Venue	P5TBD83	-	-	-	-	225,000	-	225,000
AHH Brunish Dressing Build-Out	CPMO	P5TBD46	-	-	-	-	175,000	-	175,000
Newmark Replace Stage Floor	CPMO	P5TBD86	-	-	-	-	100,000	-	100,000
Winni Hoists	Venue	P5TBD87	-	-	-	-	75,000	-	75,000
ASCH Stage Door Area Rebuild	CPMO	P5TBD96	-	-	-	-	-	75,000	75,000
<i>Projects removed from CIP:</i>									
ASCH Roof Drains	CPMO	8R215	-	-	-	-	-	-	-
Portable Concession Kiosks	Venue	85105	-	-	-	-	-	-	-
ArtBar/Lobby Furniture Replacement	Venue	8R218	-	-	-	-	-	-	-
ASCH Cooling Airflow Study	CPMO	8N075	-	-	-	-	-	-	-
AHH Stage door area rebuild	CPMO	8R221	-	-	-	-	-	-	-
ASCH Chamber Lighting	CPMO	8R177	25,000	-	-	-	-	-	25,000
TOTAL - Portland'S Centers for the Arts Fund				\$5,732,000	\$7,228,000	\$4,544,908	\$1,775,000	\$275,000	\$21,196,000
Total changes in proposed amendment				\$0	\$3,550,000	\$1,442,908	\$0	\$0	\$4,000,000