

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 19-12

For the purpose of approving and transmitting to the Metro Council budget amendments to the Metropolitan Exposition Recreation Commission (MERC) Fund Budget for FY2019-20, and requesting amendment of the FY 2019-20 through FY 2023-24 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 2019-20 budget for the MERC Fund; and

WHEREAS, MERC staff request certain budget amendments to the Adopted Budget for fiscal year 2019-20 that impact the CIP 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, 2019 and ending June 30, 2020 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 and CIP to the Metro Council for ratification.

Passed by the Commission on October 2, 2019.



Chair

Approved as to Form:
Carrie MacLaren, 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 2019-20 Budget and Capital Improvement Plan (CIP) amendment to the MERC Fund.

Resolution No: 19-12

Presented By: Rachael Lembo, MERC Finance Manager

Date: October 2, 2019

Background and Analysis:

Operating Amendment – Portland’s Centers for the Arts

- **Assistant Director of Production (1 new FTE)**
 - FY 2019-20 expected financial impact — \$88,000
 - Full-year expected financial impact — \$118,000
 - The Production team at Portland’s Centers for the Arts is responsible for overseeing technical show needs and interfacing with 15 stagehand department heads. Show needs have increased in recent years, resulting in higher demands on this team. The new Assistant Director of Production will provide management and oversight to three production supervisors, ensure regular training on safe stage practices, plan for stage maintenance and asset management and support clients and events as needed.
 - Portland’s requests a transfer from contingency, which will be funded by the Portland’s net operating surplus.

FY 2019-20 Operating Budget Impact

Description	FY 19-20 Current Budget	Amendment	FY 19-20 Amended Budget
Assistant Director of Production – 1 FTE	-	88,000	88,000
Contingency	5,260,787	(88,000)	5,172,787
Net Amendment		0	

CIP Amendment – Portland’s Centers for the Arts

The following amendments are budget adjustments related to new projects:

- **Arlene Schnitzer Concert Hall (ASCH) Broadway and Park Marquees**
 - FY 2019-20 appropriate change—increase of \$350,000
 - Total project budget \$1,800,000 (\$1,500,000 comes from an Intergovernmental Agreement with the City of Portland and Prosper Portland.)
 - The Marquees at the Broadway and Park Street entrances to the concert hall are at or near the end of useful life and require seismic as well as cosmetic and electrical upgrades. Project scope includes the replacement of the manual letter boards with electronic displays. This will improve employee safety and efficiency by eliminating the need to manually replace individual letters from the street sides of the signs.
 - The project is currently undergoing Historic Resource Review with the City of Portland for approval to use the electronic reader board. Proposed project schedule includes construction procurement late calendar 2019 and construction/installation between June and September 2020.
- **Clear-Com Headset Upgrade (Keller Auditorium, Newmark Theatre, Winningstad Theatre)**
 - FY 2019-20 appropriation change—increase of \$110,000
 - Total project budget \$110,000
 - This is to replace the Clear-Com communication system in Keller Auditorium, Newmark Theatre, and Winningstad Theatre. The headsets are used on every show to communicate with the backstage personnel and the stagehands running the show. The current headsets are 20-30 years old and are no longer compatible with the change from analog to digital stage equipment. This purchase will be a big upgrade for clients, employees and audience members.

The following amendments are a budget adjustment in existing projects:

- **Keller Chiller**
 - FY 2019-20 appropriation change—increase of \$200,000
 - Increase of total project budget from \$2,000,000 to \$2,400,000
 - The original budget was based on the Engineer’s preliminary estimate for the new chiller and associated controls and piping. The revised project budget is based on the full design and equipment and installation bid.

- **Newmark Sound System**
 - FY 2019-20 appropriation change—increase of \$275,000
 - Increase of total project budget from \$200,000 to \$275,000
 - The current sound system is original and past its useful life. A new system will better serve the wide variety of programs that the Newmark hosts and greatly enhance the audience and client experience by upgrading the system and position of the speakers. The design is nearly complete and equipment is expected to be purchased and installed in FY 2019-20.

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

Due to the changing schedule of the Arlene Schnitzer Concert Hall Acoustical Enhancement project and projects extending from the prior fiscal year, the CIP has been adjusted. The following projects have no change in the previously-approved total project budget, but do have a change in timing.

- **Arlene Schnitzer Concert Hall Acoustical Enhancements**
 - FY 2019-20 appropriate change—decrease of \$2,100,000
 - No change in total project budget of \$8,000,000

- **Keller Café**
 - FY 2019-20 appropriation change—increase of \$329,000
 - This project was originally approved in the FY 2018-19 budget for \$350,000 and \$21,000 was spent in FY 2018-19.

- **Arlene Schnitzer Concert Hall Piano Replacement**
 - FY 2019-20 appropriation change—increase of \$200,000
 - This project was originally approved in the FY 2018-19 budget for \$200,000

- **Newmark Piano Replacement**
 - FY 2019-20 appropriation change—increase of \$150,000
 - This project was originally approved in the FY 2018-19 budget for \$150,000

FY 2019-20 CIP Budget Impact

Description	Project #	FY 19-20 Current Budget	Amendment	FY 19-20 Amended Budget	Total Project Budget
ASCH Broadway and Park Marquees	8R220	-	350,000	350,000	1,800,000
Clear-Com Headset Upgrade	NEW	-	110,000	110,000	110,000
Keller Chiller	8R247	2,000,000	200,000	2,200,000	2,400,000
Newmark Sound System	8R128	-	275,000	275,000	275,000
ASCH Acoustical Enhancements	8R092	3,900,000	(2,100,000)	1,800,000	8,000,000
Keller Café	85112	-	329,000	329,000	350,000
ASCH Piano Replacement	8R216	-	200,000	200,000	200,000
Newmark Piano Replacement	8R217	-	150,000	150,000	150,000
Contingency		5,172,787	498,000	5,670,787	
Net Amendment			0		

CIP Amendment – Oregon Convention Center

The following amendments are budget adjustments in existing projects:

- OCC is working on elevator modernizations, comprised of several existing projects. The original budget was based on preliminary estimates. When bids were received, adjustments were necessitated.
 - **VT: Elevator Modernization (#1)**
 - FY 2019-20 appropriation change—decrease of \$25,000
 - Decrease of total project budget from \$175,000 to \$150,000
 - **VT: Escalator Safety Skirt Brush**
 - FY 2019-20 appropriation change—decrease of \$35,000
 - Decrease of total project budget from \$100,000 to \$65,000
 - **VT: Elevator Door & Operator Replacement**
 - FY 2019-20 appropriation change—increase of \$100,000
 - Increase of total project budget from \$250,000 to \$350,000
- OCC is investing in improvements in two food and beverage spaces: Dragon and Orbit cafes. The initial budgets in FY18-19 were developed for a straightforward HVAC upgrade in Dragon, and HVAC and front of house improvements in Orbit. In planning and design it was identified that additional improvements in Dragon were necessary for staff safety, menu flexibility, main kitchen back-up, and infrastructure requirements. OCC has reduced the scope of work in Orbit to accommodate this need. Overall the initial budget for the two projects was \$1,775,000, the revised total has decreased to \$1,507,000.
 - **Dragon Café HVAC & Space Modifications**
 - FY 2019-20 appropriation change—increase of \$655,000
 - Increase of total project budget from \$275,000 to \$655,000
 - **Orbit Café Improvements**
 - FY 2019-20 appropriation change—increase of \$852,000
 - Decrease of total project budget from \$1,500,000 to \$852,000
- OCC is currently working with a designer on a large space planning project for interior spaces. This will result in separate construction projects over multiple fiscal years. The initial budget of \$980,000 in FY18-19 was for design and construction in limited spaces. Design work has begun this year, and a carry forward amount of the original budget is proposed below. In addition, through the initial design work OCC has identified that the amounts proposed for the first two areas, King Boardroom / Admin Lobby and Guest Services, are slightly lower than current estimates, and that the schedule will shift with both projects beginning this fiscal year and completing in FY20-21.
 - **Space Planning - Design**
 - FY 2019-20 appropriation change—increase of \$147,000
 - This project was part of the Space Planning budget originally approved in the FY 2018-19 budget for \$980,000
 - **Space Planning - Space Support Area: King Boardroom and Admin Lobby**
 - FY 2019-20 appropriate change—decrease of \$390,000
 - Increase of total project budget from \$690,000 to \$750,000
 - **Space Planning - Guest Services Renovation**
 - FY 2019-20 appropriation change—increase of \$230,000
 - Increase of total project budget from \$1,165,000 to \$1,250,000

The following amendment is a timing adjustment on the five-year CIP schedule:

- **Major Renovation**
 - FY 2019-20 appropriation change—decrease of \$1,770,000
 - The project will not use the full amount appropriated in FY19-20. There is no change in total project budget.

FY 2019-20 CIP Budget Impact

Description	Project #	FY 19-20 Current Budget	Amendment	FY 19-20 Amended Budget	Total Budget
VT Elevator Modernizations (#1)	8R207D	175,000	(25,000)	150,000	150,000
VT: Escalator Safety Skirt Brush	8R207B	100,000	(35,000)	65,000	65,000
VT: Elevator Door & Operator Replacement	8R207C	250,000	100,000	350,000	350,000
Dragon Café HVAC & Space Mods	8R208	-	655,000	655,000	655,000
Orbit Café Improvements	8R213	-	852,000	852,000	852,000
Space Planning-Staff Support Area: King BR & Admin Lobby	8R224A	690,000	(390,000)	300,000	750,000
Space Planning-Design	8R224	-	147,000	147,000	165,000
Space Planning-Guest Services Renovation	8R224B	-	230,000	230,000	1,250,000
Major Renovation	8R082	10,730,000	(1,770,000)	8,960,000	39,550,000
Contingency		8,131,199	236,000	8,367,199	
Net Amendment			0		

Fiscal Impact: This action will amend the FY 2019-20 Adopted Budgets as shown above. The revised five-year CIPs are included as Attachment 1.

Recommendation: Staff recommends the Metropolitan Exposition Recreation Commission adopt Resolution 19-12.

**Portland's Centers for the Arts
CIP Summary
Fiscal Year 2020**

Department: P5									
	ID	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total	Prior Years	Total Project
PORTLAND'S CENTERS FOR THE ARTS FUND									
P5 AHH Roof	8R179	3,010,000	-	-	-	-	3,010,000	987,000	3,997,000
KA Chiller	8R247	2,188,000	-	-	-	-	2,188,000	212,000	2,400,000
Schnitzer Acoustical Enhancements	8R092	1,800,000	3,542,908	-	-	-	5,342,908	2,657,092	8,000,000
ASCH Broadway and Park Marquees	NEW	350,000	1,424,000	-	-	-	1,774,000	26,000	1,800,000
Keller Café	85112	329,000	-	-	-	-	329,000	21,000	350,000
Newmark Main Speakers	8R128	275,000	-	-	-	-	275,000	-	275,000
ASCH Piano Replacement	8R216	200,000	-	-	-	-	200,000	-	200,000
KA Elevator Modernizations	8R175	250,000	550,000	-	-	-	800,000	-	800,000
KA Generator Fuel Storage	8R214	200,000	-	-	-	-	200,000	150,000	350,000
Newmark Piano Replacement	8R217	150,000	-	-	-	-	150,000	-	150,000
ClearCom Upgrade	NEW	110,000	-	-	-	-	110,000	-	110,000
ASCH Sound Reinforcement System	8R240	100,000	400,000	-	-	-	500,000	-	500,000
P5 ADA improvements	8R182	50,000	95,000	-	-	-	145,000	80,000	225,000
AHH Digital Signage	P5TBD82	-	200,000	100,000	-	-	300,000	-	300,000
TOTAL		\$9,012,000	\$6,211,908	\$100,000	\$0	\$0	\$15,323,908	\$4,133,092	\$19,457,000

**Oregon Convention Center
CIP Summary
Fiscal Year 2020**

Department: OCC										
	ID	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total	Prior Years	Total Project	
CONVENTION CENTER OPERATING FUND										
Master Plan Renovation	8R082	8,960,000	-	-	-	-	8,960,000	30,590,000	39,550,000	
Chair Replacement	8N073	2,800,000	-	-	-	-	2,800,000	-	2,800,000	
Orbit Café Improvements	8R208	852,000	-	-	-	-	852,000	-	852,000	
Dragon Café HVAC & Space Mods	8R188B	655,000	-	-	-	-	655,000	-	655,000	
Tower/Crown Glazing	8R222	500,000	160,000	-	-	-	660,000	40,000	700,000	
Audio Visual Equipment	8R118	450,000	150,000	150,000	150,000	150,000	1,050,000	-	1,050,000	
Table Replacement	8R244	375,000	-	-	-	-	375,000	-	375,000	
Vertical Transportation: Elevator Door & Operator Rplc	8R207C	350,000	-	-	-	-	350,000	-	350,000	
Vertical Transportation: Elevator Modernizations	8R207	150,000	-	-	-	-	150,000	375,000	525,000	
Vertical Transportation: Escalator Safety Skirt Brush	8R207B	65,000	-	-	-	-	65,000	-	65,000	
Water Heater Replacement	8R210	350,000	-	-	-	-	350,000	50,000	400,000	
Staff Support Area Programming: King BR/Admin Lobby	8R224A	300,000	450,000	-	-	-	750,000	-	750,000	
Staff Support Area Programming: Guest Services	8R224B	230,000	1,020,000	-	-	-	1,250,000	-	1,250,000	
Staff Support Area Programming: Design	8R224	147,000	-	-	-	-	147,000	-	147,000	
Integrated Door Access Controls (phase 2)	8N025B	250,000	-	-	-	-	250,000	-	250,000	
Waterproofing: Rain Garden	8R223C	250,000	-	-	-	-	250,000	60,000	310,000	
Lighting Control System	88174	200,000	-	-	-	-	200,000	2,055,000	2,255,000	
Prefunction A and C Restroom Renovations	8R246	195,000	2,600,000	-	-	-	2,795,000	-	2,795,000	
Mass Notification Consulting & Implementation	8N087	150,000	-	-	-	-	150,000	-	150,000	
Rain Garden Tree Replacement	8R209	130,000	-	-	-	-	130,000	-	130,000	
VIP B Renovation	8R245	120,000	1,000,000	-	-	-	1,120,000	-	1,120,000	
OCC - WiFi & Show Network Upgrades	8R226	120,000	130,000	130,000	130,000	130,000	640,000	-	640,000	
ADA Assessment and Improvements	8N086	100,000	-	-	-	-	100,000	-	100,000	
Parking Pay Station Signage/Elevator lobby Refresh	8R243	100,000	-	-	-	-	100,000	-	100,000	
Lobby Lighting Retrofit	8R242	80,000	600,000	-	-	-	680,000	-	680,000	
Waterproofing: SW Exterior & Egress Doors	8R223D	60,000	400,000	-	-	-	460,000	-	460,000	
CCTV Security Camera Replacement	OCCTBD8	-	500,000	-	-	-	500,000	-	500,000	
Vertical Transportation: Elevator Modernizations	8R207D	-	300,000	300,000	-	-	600,000	-	600,000	
Food & Beverage Prog: Planning & Design	OCCTBD8	-	300,000	-	-	-	300,000	-	300,000	
Security Console/Entrance area Renovation	OCCTBD7	-	230,000	1,400,000	-	-	1,630,000	-	1,630,000	
OCC - AV Audio System Upgrade	OCCTBD4	-	100,000	750,000	-	-	850,000	-	850,000	
Facility Security Hardening	OCCTBD8	-	80,000	300,000	-	-	380,000	-	380,000	
Interior Digital Signage Additions	OCCTBD7	-	75,000	1,000,000	-	-	1,075,000	-	1,075,000	
OCC - Crbrd Baler & Cnpy	8N067	-	75,000	350,000	-	-	425,000	-	425,000	
Exhibit Hall Sound Panel Replacement	OCCTBD7	-	65,000	650,000	-	-	715,000	-	715,000	
Waterproofing: Miscellaneous	8R223E	-	60,000	300,000	-	-	360,000	-	360,000	
Waterproofing: Parking Garage Traffic Coating	8R223F	-	60,000	250,000	-	-	310,000	-	310,000	
OCC Cooling System phase II	8R188B	-	20,000	4,000,000	-	-	4,020,000	-	4,020,000	
Ginkgo Lane Renovation	OCCTBD7	-	-	750,000	5,000,000	-	5,750,000	-	5,750,000	
Exhibit Hall Restroom Renovation	OCCTBD7	-	-	224,000	1,700,000	-	1,924,000	-	1,924,000	
ABC Meeting Room Renovation	OCCTBD7	-	-	-	1,200,000	7,000,000	8,200,000	-	8,200,000	
DEF Meeting Rooms/Lobbies/Restrooms Renovation	OCCTBD7	-	-	-	-	1,200,000	1,200,000	-	1,200,000	
Holladay & 1st Ave Exterior Improvements	OCCTBD8	-	-	-	-	750,000	750,000	-	750,000	
Glass Tower Structural Reinforcement	OCCTBD6	-	-	-	-	100,000	100,000	-	100,000	
OCC - Boiler Replacement	OCCTBD2	-	-	-	-	100,000	100,000	-	100,000	
Exhibit Hall Lighting Retrofit	OCCTBD8	-	-	-	-	75,000	75,000	-	75,000	
Employee Locker Room Renovation	OCCTBD6	-	-	-	-	70,000	70,000	-	70,000	
Holladay Suites Renovation	OCCTBD7	-	-	-	-	60,000	60,000	-	60,000	
TOTAL		\$17,939,000	\$8,375,000	\$10,554,000	\$8,180,000	\$9,635,000	\$54,683,000	\$33,170,000	\$87,853,000	