

**METROPOLITAN EXPOSITION-RECREATION COMMISSION**

**RESOLUTION NO. 01-36**

For the purpose of incorporating nine (9) selected alternates into the Guaranteed Maximum Price scope of work for the Oregon Convention Center Expansion, and authorizing OCC Expansion Team staff to coordinate the execution of the selected alternates with the completion of the OCC Expansion.

The Metropolitan Exposition-Recreation Commission finds:

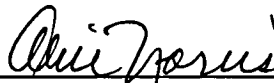
1. That the Commission's contract with Hoffman Construction Company identifies forty two (42) alternates that can be added to the GMP Scope of Work as funds become available through the GMP contract and GMP Contingency as agreed in writing by both MERC and Hoffman Construction Company; and
2. That funds have become available within the GMP through savings from Bid Package 5/6 in the amount of approximately \$2.3 million, and
3. That the OCC Expansion Project Team has reviewed all 42 and recommends selecting nine (9) alternates, listed in Exhibit A, based on criteria including life safety, future OCC revenue, operation enhancement, reduced operation costs, and efficiencies in construction, and
4. That the cost of the nine selected alternates equals approximately \$2.3 million; and
5. That the list of 42 alternates has been reviewed by the OCC Expansion Advisory Committee and the Committee supports the recommendation by the OCC Expansion Project Team for the 9 alternates to be executed with the identified GMP savings.

**Be it therefore resolved** that the Metropolitan Exposition-Recreation Commission selects the nine alternates listed on Exhibit A to be included in the GMP Scope of Work, and authorizes staff to include these 9 alternates in the OCC Expansion in a manner that has the least impact on costs and schedule for the OCC Expansion project.

Passed by the Commission on October 24, 2001.



Chairman



Secretary/Treasurer

Approved As to Form:  
Daniel B. Cooper, General Counsel

By:   
Senior Assistant Counsel

**METROPOLITAN EXPOSITION-RECREATION COMMISSION**

**RESOLUTION NO. 01-36**

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**EXHIBIT A**

List of (9) Alternates authorized for execution within the GMP Scope of Work included in the contract with Hoffman Construction for the Expansion of the Oregon Convention Center Expansion (MERC contract #92266), as recommended by the OCC Expansion Project staff:

1. Alternate #6 – Upgrade Existing Fire Alarm System - \$251,301
2. Alternate #42 – Construction of the E-Exhibit Hall Area Air Wall - \$138,380
3. Alternate #1 – Construction of the OCC Administration - Tenant Improvement - \$693,078
4. Alternate #2 – Construction of the VIP Lounge - Tenant Improvement - \$231,702
5. Alternate #3 – Construction of the Retail Area – Tenant Improvement – \$315,349
6. Alternate #9 – HVAC Controls System Integration for Existing and Expansion - \$240,900
7. Alternate #18 – Lighting Controls Consolidation for Existing and Expansion – \$100,000
8. Alternate #43 – Construction of the MLK Lobby Canopy –  
(estimated \$320,000; to be determined based on Value Engineering)
9. Alternate #7 – Seismic Upgrade of Cooling Tower Structural System – estimated \$25,000

## MERC STAFF REPORT

**Agenda Item/Issue:** OCC Expansion staff's recommendations for approval and execution of alternates for the Oregon Convention Center Expansion.

**Resolution No:** 01-36

**Date:** October 24, 2001

**Presented by:** Karl Schulz, Senior Project Manager

**Background:** Alternates for this project were established within the GMP contract (MERC contract #92266) with Hoffman Construction, authorized by MERC Resolution #00-12 dated April 5, 2000. Forty-two (42) alternates were established in the GMP contract for funding consideration at a later date. Earlier this year the Expansion Team established a criteria for prioritizing the alternates to be incorporated into the project that evaluated issues for Life Safety, potential long-term revenue opportunities, reduced operation costs, and efficiencies in coordination into the construction process for the Expansion. The estimated costs for all 42 alternates exceeded the available funding. Alternates were then categorized into one of three groups to be executed, pending the results of subcontractor bidding: 1. Alternates recommended to be contracted; 2. Alternates pending alternative funding; 3. Alternates on hold.

On August 29, 2001 over 250 bids were received by Hoffman Construction, the CM/GC contractor for the Oregon Convention Center Expansion Project, for Bid Package 5/6. This combined bid package represented an estimated \$60 million of work for the construction of the building shell and finish work for the Expansion. Over this last month, Hoffman Construction has reviewed these bids and reconciled them with the overall GMP project budget. Based on an excellent bidding climate at the time that the bids were received in August, savings have been estimated for the project's overall budget based on lower subcontractor costs than originally projected. Hoffman has estimated that there will be approximately a \$2.3 million savings that can be utilized to fund alternate items. Based on repeated evaluations and reviews of all alternate items, the OCC Expansion staff recommend the following (9) alternates be executed and approved by the MERC Commission with the \$2.3 million of projected savings:

**(9) Alternates Recommended for Execution by OCC Expansion Project Staff:**

Bids were received for all alternates and costs for the amounts defined below together equal approximately \$2.3 million:

- Alternate #6 – Upgrade Existing Fire Alarm System - \$251,301
- Alternate #42 – Construction of the E-Exhibit Hall Area Air Wall - \$138,380
- Alternate #1 – Construction of the OCC Administration - Tenant Improvement - \$693,078
- Alternate #2 – Construction of the VIP Lounge - Tenant Improvement - \$231,702
- Alternate #3 – Construction of the Retail Area – Tenant Improvement – \$315,349
- Alternate #9 – HVAC Controls System Integration for Existing and Expansion - \$240,900
- Alternate #18 – Lighting Controls Consolidation for Existing and Expansion – \$100,000
- Alternate #43 – Construction of the MLK Lobby Canopy –  
(estimated \$320,000; to be determined based on Value Engineering)
- Alternate #7 – Seismic Upgrade of Cooling Tower Structural System – approximately \$25,000

**Fiscal Impact:** Hoffman Construction has determined the amount of funds still required to complete the construction of the Expansion including completing Buy-Out and maintaining enough contingency and funding to complete the project. The OCC Expansion Project Team has confirmed that \$2.3 million in savings within the GMP has been established due to the competitive bids received for Bid Package 5/6. Execution of the (9) alternates recommended above would not require an increase to the overall project budget since the cost is already within the \$98.5 million GMP previously established for this project. It is not anticipated that execution of these (9) alternates will not impact the fiscal year budget for FY 2001-02. The proposed budget for FY2002-03 will be reviewed and any potential adjustments will be made prior to final budget approval.

**Recommendation:** Staff recommends that the MERC Commission authorizes the OCC Expansion Project Team to execute the list of (9) alternates defined above that shall be funded from the \$2.3 million projected savings in the GMP. These said alternates shall be coordinated into the construction of the OCC Expansion as part of the project scope so as to have the least amount of impact to completion of the project. Based on MERC Commission approval, the OCC Expansion Project Team will complete these alternates as part of the OCC Expansion Project.