
MERC Commission Meeting

September 10, 2014
12:30 pm

Oregon Convention Center
777 NE Martin Luther King Jr. Blvd.
Room C121/122



600 NE Grand Ave.
Portland, OR 97232
503-797-1780

www.oregonmetro.gov

Metro | *Exposition Recreation Commission*

Agenda

Meeting: Metro Exposition Recreation Commission Meeting
Date: Wednesday, September 10, 2014
Time: 12:30 -2:00 p.m.
Place: Oregon Convention Center, Rooms C121-122

CALL TO ORDER

- | | | | |
|-------|------------|---|--|
| 12:30 | 1. | QUORUM CONFIRMED | |
| 12:35 | 2. | OPPORTUNITY FOR PUBLIC COMMENT ON NON-AGENDA ITEMS | |
| 12:40 | 3. | COMMISSION/COUNCIL LIAISON COMMUNICATIONS | Terry Goldman |
| 12:45 | 4. | METRO DEPUTY COO COMMUNICATIONS | Scott Robinson |
| 12:55 | 5. | FINANCIAL REPORT, pg. 5-17 | Benjamin Rowe |
| 1:00 | 6. | VENUE BUSINESS REPORTS | Matthew P. Rotchford
Scott Cruickshank
Robyn Williams |
| 1:20 | 7. | CONSENT AGENDA | |
| | 7.1 | August 6, 2014 Record of MERC Actions, pg. 19-21 | |
| | 7.2 | Approval of Ethics Authorization Form for Travel Portland events during the 2014 ASAE meeting in Nashville, Tennessee on August 8-12, 2014, pg. 22 | |
| | 7.3 | Approval of Ethics Authorization Form for Travel Portland events during the Congressional Black Caucus, September 24-25, 2014, pg. 23 | |
| | 7.4 | Ethics Authorization Form for Travel Portland FAM/CAB Events, October 1-3, 2014 and December 4-6, 2014, pg. 24 | |
| 1:25 | 8. | ACTION AGENDA | |
| | 8.1 | RESOLUTION 14- 25 For the purpose of selecting Freewire Broadband the lowest responsive and responsible bidder in response to a Request for Bids, relating to the "Event Internet Services - Oregon Convention Center (OCC)" and authorizing the Metro Deputy COO to execute a contract with Freewire Broadband, Resolution pg. 26, Staff Report pg. 27, Contract pg. 28-35. | Scott Cruickshank
Matt Uchtman |

ADJOURN

MERC Commission Meeting

September 10, 2014
12:30 pm

5.0 Financial Report

JULY 2014

FINANCIAL INFORMATION

For Management Purposes only



Date: September 10, 2014

To: Commissioner Terry Goldman, Chair
 Commissioner Cynthia Haruyama, Vice Chair
 Commissioner Judie Hammerstad, Secretary-Treasurer
 Commissioner Karis Stoudamire-Phillips
 Commissioner Chris Erickson
 Commissioner Elisa Dozono
 Commissioner Ray Leary

From: Ben Rowe – MERC Finance Manager

Re: MERC Financial Information July 2014

MERC Venues Events & Attendance

Compared to a three-year historical July average, total MERC Venue events and performances are up for the month of July 2% and 49% respectively. This is due to 5,700 additional attendees at OCC and Expo and 17 *Book of Mormon* Broadway performances with 46,600 attendees at Portland’s.

	2013		2014		Change from Prior Year	
	Events	Attendance	Events	Attendance	Events	Attendance
Total MERC Venues						
July	70	56,719	79	111,423	9, 13%	54,704, 96%

MERC Venues Revenues & Expense

Total MERC Venue revenues for July are 24%, (\$694,000) above July 2013, 28% (\$760,000) above the three-year historical July average, and 1% below budget projections. Total MERC Venue expenses for July are 3% (\$103,000) above July 2013, 6% (\$217,000) above the three-year historical July average, and 1% below budget projections.

Food & Beverage

The total MERC Venue food and beverage margin for July is 30%, 6% higher than July 2013 and 4% (\$145,000) higher than the three-year historical July average.

Net Operations

Total MERC YTD net operations are \$591,000 (68%) greater than July 2013 and 66% (\$546,000) greater than the three-year historical July average.

Historical Actual Comparison FY 2012-2014 to FY 2015

	Fiscal Year:	2012	2013	2014	2015	2012-14	% Diff.	% Diff.
Revenues		YTD	YTD	YTD	YTD	Average	Average	2014
Food & Beverage		1,463,881	1,115,420	1,685,909	1,721,300	1,421,737	21%	2%
Charges for Services		1,314,717	1,330,437	1,058,312	1,694,696	1,234,489	37%	60%
Lodging Tax		-	-	-	-	-	-	-
Other		73,278	59,577	37,496	59,977	56,784	6%	60%
Total Revenue		2,851,876	2,505,434	2,781,718	3,475,973	2,713,009	28%	25%
Expenses								
Food & Beverage		1,007,511	869,503	1,282,001	1,207,579	1,053,005	15%	-6%
Personnel Services		1,389,197	1,335,047	1,275,000	1,419,331	1,333,081	6%	11%
Materials & Services		675,300	662,665	598,639	719,101	645,535	11%	20%
Other		502,478	528,206	500,644	413,188	510,443	-19%	-17%
Total Expense		3,574,486	3,395,422	3,656,284	3,759,199	3,542,064	6.1%	2.8%
Net Operations		(722,610)	(889,988)	(874,566)	(283,226)	(829,055)	-66%	-68%
Food & Beverage Margin		31%	22%	24%	30%	26%	4%	6%

Oregon Convention Center

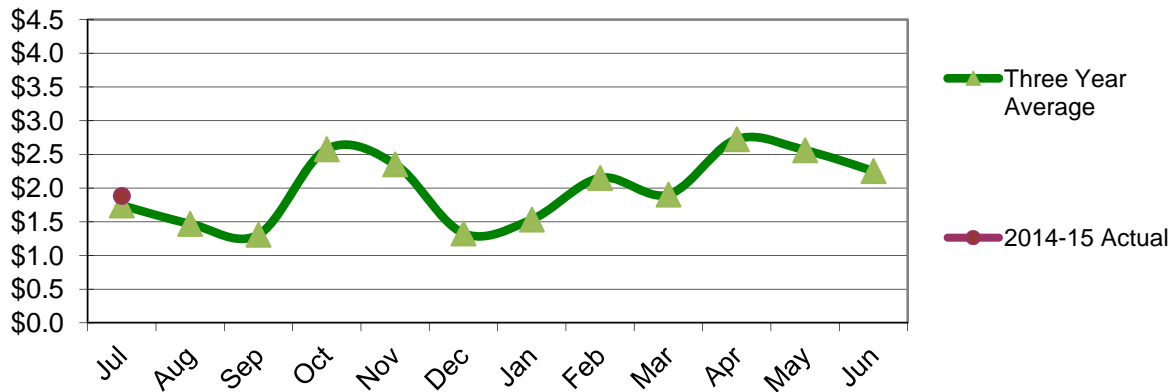
There were 7 less events at OCC in July 2014 than in July 2013, however there were 2 more public shows and 3,900 (25%) more attendees than the prior year. OCC revenues are 3% less than the prior year, 8% above the three-year historical July average, and 2% under budget. OCC expenses are 6% less than the prior year, 29% above the three-year historical July average, and 1% under budget. OCC Food and Beverage margins are 28% for the month of July, 0.15% less than the prior year.

Highest Grossing Events

Event	Gross Revenue	% of June Revenue
OSCON 2014	\$877,833	32%
IAVM Venue Connect 2014	362,114	19%
American Society of Plant Biologists	254,042	13%
Duncan Family Reunion	130,125	7%
All other Events	297,003	15%
Total	\$1,921,118	100%

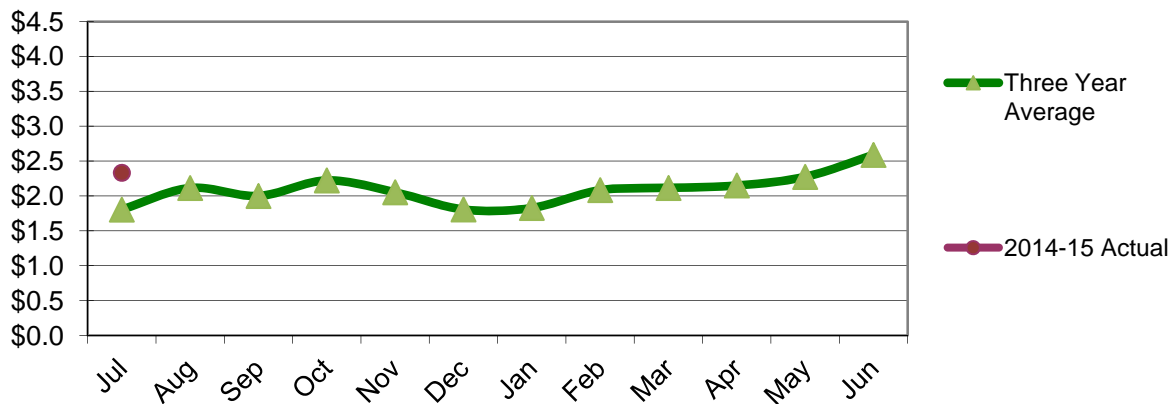
OCC Program Revenues by Month

Shown in Millions



OCC Program Expense by Month

Shown in Millions



Portland's Centers for the Arts

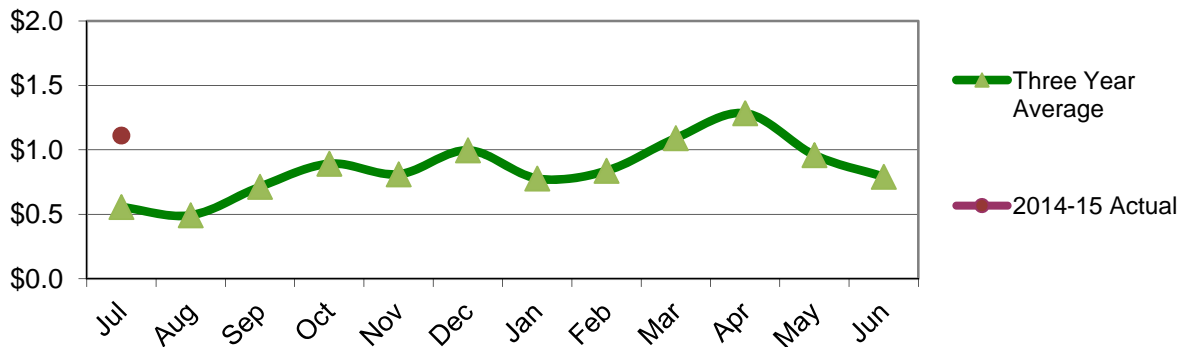
The month of July was one of only 10 times Portland's grossed over \$1 million in the last 4 years. Portland's received a huge boost in revenues in July from the Broadway show *Book of Mormon* resulting in total revenues 3 times the previous year and 2 times the three-year historical July average. *Book of Mormon* operations spanned fiscal years 2014 and 2015 with 16 performances, 46,000 attendees, averaging 96.5% capacity at the Keller Auditorium each performance, and earned Portland's \$954,000 in total gross revenue. This one event represents 9.5% of Portland's annual event related revenue. There were 14 (36%) more events and 49,000 (200%) more attendees at the Portland's Centers for the Arts in July 2014 than in July 2013. Portland's events and attendance are 14% and 200% respectively above the three-year historical July average. Portland's expenses are 26% above the prior year, 57% higher than the three-year historical July average, and at budget projections. Portland's Food and Beverage margin is 50% for the month of July 49% higher than July 2013.

Highest Grossing Events

Event	Gross Revenue	% of June Revenue
Book of Mormon	\$606,195	54%
World Domination Summit 2014	95,867	9%
IAVM Venue Connect	81,025	7%
Steely Dan	71,273	6%
All other Events	261,098	23%
Total	\$1,115,457	100%

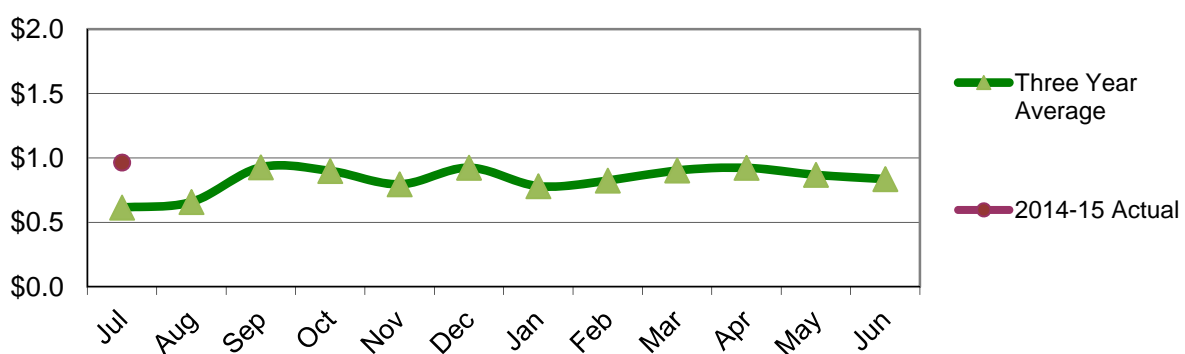
P5CA Program Revenue by Month

Shown in Millions



P5CA Program Expense by Month

Shown in Millions



Portland Expo Center

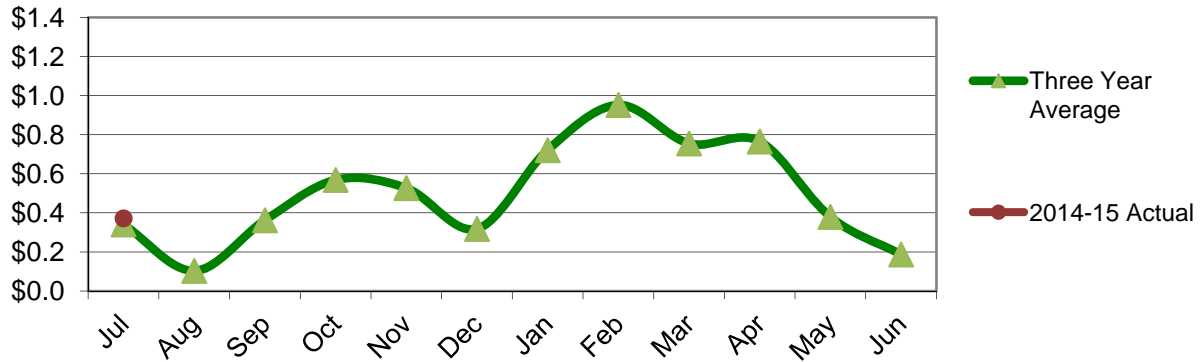
There were 2 more events and 1,800 more attendees at Expo in July than the prior year. Expo's July revenues are 1% above the prior year, 9% above the three-year historical July average, and 2% below budget projections. Expo's July expenses are 12% above the prior year, 9% above the three-year historical July average, and 2% below budget projections. Expo's July Food & Beverage margin is negative due to event settlement timing issues between June and July.

Highest Grossing Events

Event	Gross Revenue	% of June Revenue
America's Largest Antique and Collectable Show	\$146,124	39%
Portland Kennel Club Dog Show	84,905	23%
Collectors West Gun & Knife Show	40,457	11%
The 2015 Outback & Legacy Training Tour	35,843	10%
All other Events	66,713	18%
Total	\$374,042	100%

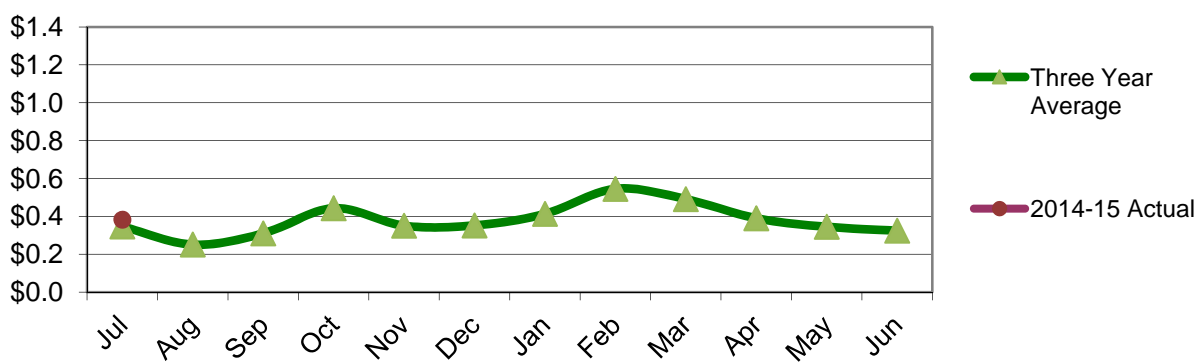
Expo Program Revenue by Month

Shown in Millions



Expo Program Expense by Month

Shown in Millions



MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

All Departments

July 2014

	Current Month Actual	Prior Year Month Actual	Current Year to Date Actual	Prior Year to Date Actual	Current Year Budget	% of Prior Year	% of Annual Budget
Operations							
Charges for Services	1,694,696	1,058,312	1,694,696	1,058,312	21,098,321	160.13%	8.03%
Contributions from Governments	-	-	-	-	831,905	0.00%	0.00%
Enhanced Marketing VDF	-	-	-	-	463,702	0.00%	0.00%
Food and Beverage Revenue	1,721,300	1,685,909	1,721,300	1,685,909	15,202,929	102.10%	11.32%
Interest Earnings	50,219	36,119	50,219	36,119	57,750	139.04%	86.96%
Interfund Loans	-	-	-	-	-	0.00%	0.00%
Lodging Tax	-	-	-	-	11,131,163	0.00%	0.00%
Miscellaneous Revenue	9,758	1,377	9,758	1,377	84,542	708.81%	11.54%
Transfers-R	(0)	(0)	(0)	(0)	1,137,263	0.00%	0.00%
Visitor Development Fund Alloc	-	-	-	-	1,931,633	0.00%	0.00%
Total Revenues	3,475,973	2,781,718	3,475,973	2,781,718	51,939,208	124.96%	6.69%
Capital Outlay	-	-	-	-	25,000	0.00%	0.00%
Food & Beverage Services	1,207,579	1,282,001	1,207,579	1,282,001	12,871,802	94.19%	9.38%
Materials and Services	719,101	598,639	719,101	598,639	13,425,476	120.12%	5.36%
Personnel Services	1,419,331	1,275,000	1,419,331	1,275,000	18,432,052	111.32%	7.70%
Transfers-E	413,188	500,644	413,188	500,644	5,680,018	82.53%	7.27%
Visitor Development Marketing	-	-	-	-	463,702	0.00%	0.00%
Total Expenditures	3,759,199	3,656,284	3,759,199	3,656,284	50,898,050	102.81%	7.39%
Net Operations	(283,226)	(874,566)	(283,226)	(874,566)	1,041,158		
Capital							
Contributions from Private Sources	-	-	-	-	-	0.00%	0.00%
Grants	-	-	-	-	70,000	0.00%	0.00%
Transfers-R	-	-	-	-	-	0.00%	0.00%
Total Revenues	-	-	-	-	70,000	0.00%	0.00%
Capital Outlay	789,390	10,280	789,390	10,280	7,219,300	7678.89%	10.93%
Total Expenditures	789,390	10,280	789,390	10,280	7,219,300	7678.89%	10.93%
Net Capital	(789,390)	(10,280)	(789,390)	(10,280)	(7,149,300)		
12 Month Fund Balance Increase	(1,072,616)	(884,846)	(1,072,616)	(884,846)	(6,108,142)		

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

Convention Center Operating Fund

July 2014

	Current Month Actual	Prior Year Month Actual	Current Year to Date Actuals	Prior Year to Date Actual	Current Year Budget	% of Prior Year to Date	% of Annual Budget
Operations							
Charges for Services	750,692	526,924	750,692	526,924	9,446,977	142.5%	7.9%
Enhanced Marketing VDF	-	-	-	-	463,702	0.0%	0.0%
Food and Beverage Revenue	1,173,136	1,458,231	1,173,136	1,458,231	11,002,827	80.4%	10.7%
Interest Earnings	17,511	16,693	17,511	16,693	14,500	104.9%	120.8%
Interfund Loans	-	-	-	-	-	0.0%	0.0%
Lodging Tax	-	-	-	-	9,803,384	0.0%	0.0%
Miscellaneous Revenue	1,389	453	1,389	453	11,000	306.6%	12.6%
Transfers-R	(58,987)	(53,505)	(58,987)	(53,505)	93,756	110.2%	-62.9%
Visitor Development Fund Alloc	-	-	-	-	1,281,250	0.0%	0.0%
Total Revenues	1,883,742	1,948,795	1,883,742	1,948,795	32,117,396	96.7%	5.9%
Food & Beverage Services	849,964	1,054,579	849,964	1,054,579	9,363,294	80.6%	9.1%
Materials and Services	469,960	434,764	469,960	434,764	8,527,570	108.1%	5.5%
Personnel Services	752,503	718,621	752,503	718,621	9,969,814	104.7%	7.5%
Transfers-E	260,332	278,697	260,332	278,697	2,698,655	93.4%	9.6%
Visitor Development Marketing	-	-	-	-	463,702	0.0%	0.0%
Total Expenditures	2,332,760	2,486,661	2,332,760	2,486,661	31,023,035	93.8%	7.5%
Net Operations	(449,018)	(537,865)	(449,018)	(537,865)	1,094,361		
Capital							
Grants	-	-	-	-	60,000	0.0%	0.0%
Transfers-R	-	615,000	-	615,000	360,000	0.0%	0.0%
Total Revenues	-	615,000	-	615,000	420,000	0.0%	0.0%
Capital Outlay	773,498	(37,397)	773,498	(37,397)	4,258,000	-2068.3%	18.2%
Total Expenditures	773,498	(37,397)	773,498	(37,397)	4,258,000	-2068.3%	18.2%
Net Capital	(773,498)	652,397	(773,498)	652,397	(3,838,000)		
12 Month Fund Balance Increase	(1,222,516)	114,532	(1,222,516)	114,532	(2,743,639)		

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

Portland's Centers for the Arts Fund

July 2014

	Current Month Actual	Prior Year Month Actual	Current Year to Date Actuals	Prior Year to Date Actual	Current Year Budget	% of Prior Year to Date	% of Annual Budget
Operations							
Charges for Services	681,767	268,904	681,767	268,904	7,454,065	253.5%	9.1%
Contributions from Governments	-	-	-	-	831,905	0.0%	0.0%
Food and Beverage Revenue	432,737	117,304	432,737	117,304	2,225,102	368.9%	19.4%
Interest Earnings	24,364	10,979	24,364	10,979	31,000	221.9%	78.6%
Lodging Tax	-	-	-	-	1,327,779	0.0%	0.0%
Miscellaneous Revenue	8,119	1,207	8,119	1,207	51,302	672.6%	15.8%
Transfers-R	(35,701)	(32,384)	(35,701)	(32,384)	(428,413)	110.2%	8.3%
Visitor Development Fund Alloc	-	-	-	-	650,383	0.0%	0.0%
Total Revenues	1,111,286	366,010	1,111,286	366,010	12,143,123	303.6%	9.2%
Food & Beverage Services							
Food & Beverage Services	218,027	118,230	218,027	118,230	1,857,227	184.4%	11.7%
Materials and Services	180,121	96,295	180,121	96,295	2,948,738	187.1%	6.1%
Personnel Services	471,245	377,744	471,245	377,744	5,996,451	124.8%	7.9%
Transfers-E	95,152	173,018	95,152	173,018	1,318,646	55.0%	7.2%
Total Expenditures	964,546	765,288	964,546	765,288	12,121,062	126.0%	8.0%
Net Operations	146,740	(399,277)	146,740	(399,277)	22,061		
Capital							
Contributions from Private Sources	-	-	-	-	-	0.0%	0.0%
Total Revenues	-	-	-	-	-	0.0%	0.0%
Capital Outlay	15,590	47,677	15,590	47,677	1,938,000	32.7%	0.8%
Total Expenditures	15,590	47,677	15,590	47,677	1,938,000	32.7%	0.8%
Net Capital	(15,590)	(47,677)	(15,590)	(47,677)	(1,938,000)		
12 Month Fund Balance Increase	131,150	(446,954)	131,150	(446,954)	(1,915,939)		

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

Expo Fund

July 2014

	Current Month Actual	Prior Year Month Actual	Current Year to Date Actuals	Prior Year to Date Actual	Current Year Budget	% of Prior Year to Date	% of Annual Budget
Operations							
Charges for Services	262,236	262,485	262,236	262,485	4,197,279	99.9%	6.2%
Food and Beverage Revenue	115,427	110,374	115,427	110,374	1,975,000	104.6%	5.8%
Interest Earnings	4,542	5,316	4,542	5,316	8,500	85.4%	53.4%
Miscellaneous Revenue	251	(283)	251	(283)	22,240	-88.5%	1.1%
Transfers-R	(10,278)	(9,323)	(10,278)	(9,323)	212,330	110.2%	-4.8%
Total Revenues	372,178	368,568	372,178	368,568	6,415,349	101.0%	5.8%
Capital Outlay							
Food & Beverage Services	139,588	109,192	139,588	109,192	1,651,281	127.8%	8.5%
Materials and Services	56,480	61,216	56,480	61,216	1,459,762	92.3%	3.9%
Personnel Services	128,743	122,837	128,743	122,837	1,721,145	104.8%	7.5%
Transfers-E	57,704	48,929	57,704	48,929	1,639,717	117.9%	3.5%
Total Expenditures	382,515	342,174	382,515	342,174	6,496,905	111.8%	5.9%
Net Operations							
	(10,337)	26,394	(10,337)	26,394	(81,556)		
Capital							
Grants	-	-	-	-	10,000	0.0%	0.0%
Transfers-R	-	165,000	-	165,000	360,000	0.0%	0.0%
Total Revenues	-	165,000	-	165,000	370,000	0.0%	0.0%
Capital Outlay	302	-	302	-	930,500	0.0%	0.0%
Total Expenditures	302	-	302	-	930,500	0.0%	0.0%
Net Capital							
	(302)	165,000	(302)	165,000	(560,500)		
12 Month Fund Balance Increase							
	(10,639)	191,394	(10,639)	191,394	(642,056)		

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

MERC Admin Sub Fund

July 2014

	Current Month Actual	Prior Year Month Actual	Current Year to Date Actuals	Prior Year to Date Actual	Current Year Budget	% of Prior Year to Date	% of Annual Budget
Operations							
Interest Earnings	3,801	3,132	3,801	3,132	3,750	121.4%	101.4%
Transfers-R	104,966	95,212	104,966	95,212	1,259,590	110.2%	8.3%
Total Revenues	108,767	98,344	108,767	98,344	1,263,340	110.6%	8.6%
Materials and Services	12,538	6,364	12,538	6,364	489,406	197.0%	2.6%
Personnel Services	66,840	55,797	66,840	55,797	744,642	119.8%	9.0%
Transfers-E	-	-	-	-	23,000	0.0%	0.0%
Total Expenditures	79,379	62,161	79,379	62,161	1,257,048	127.7%	6.3%
Net Operations	29,389	36,183	29,389	36,183	6,292		
Capital							
Transfers-R	-	(780,000)	-	(780,000)	(720,000)	0.0%	0.0%
Total Revenues	-	(780,000)	-	(780,000)	(720,000)	0.0%	0.0%
Capital Outlay	-	-	-	-	92,800	0.0%	0.0%
Total Expenditures	-	-	-	-	92,800	0.0%	0.0%
Net Capital	-	(780,000)	-	(780,000)	(812,800)		
12 Month Fund Balance Increase	29,389	(743,817)	29,389	(743,817)	(806,508)		

MERC Visitor Venues
Events-Performances-Attendance
FY 2014-15

OCC	July 2013		July 2014		Net Change from Prior Year		July 2014	
	Events	Attendance	Events	Attendance	Events	Attendance	Revenue	% of Rev.
Tradeshows/Conventions	5	7,210	4	7,765	(1)	555	1,574,308	82%
Consumer Public Shows	4	3,375	6	6,856	2	3,481	79,381	4%
Miscellaneous					-	-		0%
Miscellaneous -In-House	9	133	5	192	(4)	59	114,571	6%
Meetings	6	1,096	2	370	(4)	(726)	23,035	1%
Catering	1	4,017	1	4,589	-	572	129,823	7%
Totals	25	15,831	18	19,772	(7)	3,941	\$ 1,921,118	100%

Expo Center	July 2013		July 2014		Net Change from Prior Year		July 2014	
	Events	Attendance	Events	Attendance	Events	Attendance	Revenue	% of Rev.
Consumer Public Shows	3	17,067	3	17,768	-	701	266,033	71%
<i>Cirque Du Soleil</i>	-	-	-	-	-	-	-	0%
Miscellaneous	1	50	3	4,115	2	4,065	105,158	28%
Meetings	1	10	1	25	-	15	468	0%
Catering	-	-	1	52	1	52	2,382	1%
Tradeshows/Conventions	1	3,064	-	-	(1)	(3,064)		0%
Totals	6	20,191	8	21,960	2	1,769	\$ 374,041	100%
Totals w/Cirque du Soleil	6	20,191	8	21,960	2	1,769	\$ 374,041	100%

Portland '5	July 2013		July 2014		Net Change from Prior Year		July 2014	
	Performances	Attendance	Performances	Attendance	Performances	Attendance	Revenue	% of Rev.
Commercial (Non-Broadway)	13	13,682	10	15,321	(3)	1,639	276,198	25%
Broadway	-	-	17	46,603	17	46,603	610,064	55%
Resident Company	-	-	1	1,550	1	1,550	349	0%
Student	18	2,984	16	2,210	(2)	(774)	18,606	2%
Non-Profit	3	1,892	4	1,510	1	(382)		0%
Miscellaneous	5	2,139	5	2,497	-	358	210,222	19%
Totals	39	20,697	53	69,691	14	48,994	\$ 1,115,439	100%

MERC Food and Beverage Margins

July 2014

	Current Month Actual	Current Year to Date	Prior Year to Date Actual	Annual Budget
Convention Center Operating Fund				
Food and Beverage Revenue	1,173,136	1,173,136	1,458,231	11,002,827
Food & Beverage Services	849,964	849,964	1,054,579	9,363,294
Food and Beverage Gross Margin	323,172	323,172	403,652	1,639,533
Food and Beverage Gross Margin %	27.55%	27.55%	27.68%	14.90%
Portland'5 Centers for the Arts Fund				
Food and Beverage Revenue	432,737	432,737	117,304	2,225,102
Food & Beverage Services	218,027	218,027	118,230	1,857,227
Food and Beverage Gross Margin	214,710	214,710	(926)	367,875
Food and Beverage Gross Margin %	49.62%	49.62%	-0.79%	16.53%
Expo Fund				
Food and Beverage Revenue	115,427	115,427	110,374	1,975,000
Food & Beverage Services	139,588	139,588	109,192	1,651,281
Food and Beverage Gross Margin	(24,161)	(24,161)	1,182	323,719
Food and Beverage Gross Margin %	-20.93%	-20.93%	1.07%	16.39%
MERC Fund Total				
Food and Beverage Revenue	1,721,300	1,721,300	1,685,909	15,202,929
Food & Beverage Services	1,207,579	1,207,579	1,282,001	12,871,802
Food and Beverage Gross Margin	513,721	513,721	403,909	2,331,127
Food and Beverage Gross Margin %	29.84%	29.84%	23.96%	15.33%

MERC Statement of Fund Balances and Reserves

July 2014

	FY 2015 YTD Actual	FY 2014 YTD Actual	FY 2014 Annual Actual	FY 2015 Budget
<u>Oregon Convention Center</u>				
Beginning Fund Balance	14,781,791	14,415,732	14,415,732	16,655,732
Fund Balance Inc (Dec)	(1,222,516)	114,532	366,059	(2,743,639)
Ending Fund Balance	13,559,275	14,530,264	14,781,791	13,912,093
<i>Contingency - Operating</i>				1,630,000
<i>Contingency - New Capital-Business Strategy</i>				1,099,078
<i>Contingency - Renewal & Replacement</i>				11,183,015
<i>Ending Fund Balance</i>				13,912,093
<u>Portland'5 Centers for the Arts</u>				
Beginning Fund Balance	9,487,088	9,020,155	9,020,155	10,226,656
Fund Balance Inc (Dec)	131,150	(446,954)	466,933	(1,915,939)
Ending Fund Balance	9,618,238	8,573,201	9,487,088	8,310,717
<i>Contingency - Operating</i>				600,000
<i>Contingency - New Capital-Business Strategy</i>				1,857,050
<i>Contingency - Renewal & Replacement</i>				5,853,667
<i>Ending Fund Balance</i>				8,310,717
<u>Expo</u>				
Beginning Fund Balance	3,392,399	3,935,352	3,935,352	4,399,853
Fund Balance Inc (Dec)	(10,639)	191,394	(542,953)	(642,056)
Ending Fund Balance	3,381,760	4,126,746	3,392,399	3,757,797
<i>Contingency - Operating</i>				350,000
<i>Contingency - New Capital-Business Strategy</i>				2,596,016
<i>Contingency - Renewal & Replacement</i>				811,781
<i>Ending Fund Balance</i>				3,757,797
<u>MERC Administration</u>				
Beginning Fund Balance	2,161,654	3,043,123	3,043,123	3,043,124
Fund Balance Inc (Dec)	29,389	(743,817)	(881,469)	(806,508)
Ending Fund Balance	2,191,043	2,299,306	2,161,654	2,236,616
<i>Contingency - Operating</i>				65,000
<i>Contingency - Renewal & Replacement</i>				2,171,616
<i>Ending Fund Balance</i>				2,236,616
<u>MERC Fund</u>				
Beginning Fund Balance	29,822,932	30,414,362	30,414,362	34,325,365
Fund Balance Inc (Dec)	(1,072,615)	(884,844)	(591,429)	(6,108,142)
Ending Fund Balance	28,750,317	29,529,518	29,822,933	28,217,223

MERC Commission Meeting

September 10, 2014
12:30 pm

7.0 Consent Agenda

**Metropolitan Exposition Recreation Commission
Record of MERC Commission Actions**

August 6, 2014
Oregon Convention Center, C121-122

Present:	Terry Goldman, Judie Hammerstad, Chris Erickson, Ray Leary, Karis Stoudamire-Phillips, Elisa Dozono (via telephone)
Absent:	Cynthia Haruyama (excused)
	A regular meeting of the Metropolitan Exposition Recreation Commission was called to order by Chair Terry Goldman at 12:35 p.m. at the Oregon Convention Center.
1.0	QUORUM CONFIRMED A quorum of Commissioners was present.
2.0	OPPORTUNITY FOR PUBLIC COMMENT ON NON-AGENDA ITEMS <ul style="list-style-type: none"> Commissioner Leary introduced Ben Kitoko and Donzell Slater, students and members of I Am Academy. Each reported on their experiences as an Aramark employee. Both expressed gratitude for the positions, the support the program has provided them, and the opportunities Aramark has offered them.
3.0	COMMISSIONER , COUNCIL LIAISON COMMUNICATIONS <ul style="list-style-type: none"> In Metro Council Liaison Sam Chase’s absence, Council Policy Coordinator, Nikolai Ursin, provided updates on behalf of the councilor to the Commission. Ursin presented the Metro Housing Equitable Development Program Work Plan to the Commission. Commissioner Hammerstad thanked Scott Cruickshank for his recent presentation to the Clackamas County Board of Commissioners. Commissioner Erickson offered thanks to Portland’5 and Travel Portland for their support for the Do the Dew Tour.
4.0	METRO DEPUTY COO COMMUNICATIONS <ul style="list-style-type: none"> Metro Deputy COO, Scott Robinson provided updates to the Commission which included updates on the expected timelines for the FOTA and Expo Marketing projects. Robinson announced that the MERC meeting scheduled for Sept. 3 will be moved to Sept. 10 due to calendar conflicts posed by the Labor Day weekend.
5.0	SECOND CLOSE FISCAL YEAR 13-14 REPORT <ul style="list-style-type: none"> Metro FRS Director, Tim Collier, presented the report to the Commission. He noted that this is second close and the numbers could still change. Third close will be complete in September.
6.0	VENUE BUSINESS REPORTS <ul style="list-style-type: none"> Robyn Williams of Portland’5 Centers for the Arts, Scott Cruickshank of the Oregon Convention Center, and Matthew P. Rotchford of Portland Expo Center provided monthly venue updates to the Commission. Cruickshank also updated the Commission on the Convention Center hotel project and Rotchford updated the Commission on the work done so far for the Expo Center Project. <ul style="list-style-type: none"> Commissioner Leary inquired of Scott Cruickshank whether the hotel pre-development process had begun. Cruickshank replied affirmatively. Commissioner Leary stated that he understood there were two or three legal hurdles yet to navigate and inquired if they make timeline management difficult. Cruickshank replied affirmatively. Commissioner Leary questioned whether there were any assurances that the legal issues can be solved favorably. Metro Deputy Attorney, Nathan Sykes, replied that there is no certainty however the legal team is fairly confident that they will succeed.

	<ul style="list-style-type: none"> Commissioner Leary inquired about Mortenson’s outreach to the community and questioned if they had hired a local firm for that outreach. Cruickshank replied that contractually, Mortenson is committed to compliance with PDC standards of workforce equity. He added that, regarding community outreach, Mortenson intends to begin that process approximately six months prior to the start of construction and has committed to using a local firm, Pacificmark Construction. Commissioner Leary inquired whether Mortenson would hear the presentation on best practices which the Commission heard at its FOTA work session. Cruickshank agreed that Leary’s suggestion was a good idea.
7.	<p>ARAMARK YEAR-END FY14 REPORT</p> <ul style="list-style-type: none"> Ed Strong, General Manager of Aramark presented the report to the Commission. Commissioner Erickson noted that there was no discussion of goals for the upcoming year in the report. Strong replied that revenue generation and the addition of points of sale to all of the buildings were the goals. Commissioner Erickson noted that the margins seemed lower and questioned if a price increase was needed. Strong replied that he was working on a price increase request. He added that catering drives the business and the fact that there were fewer conventions in FY13-14 was most likely the reason for the lower revenues for the year; next year should show an improvement in those numbers.
8.	<p>CONSENT AGENDA</p> <ul style="list-style-type: none"> A motion was made by Commissioner Hammerstad and seconded by Commissioner Stoudamire-Phillips to approve the Consent Agenda which included: <ul style="list-style-type: none"> June 4, 2014 Record of MERC Actions July 9, 2014 Record of MERC Actions Ethics Authorization Form for upcoming Travel Portland FAM/CAB Event <p>VOTING: Aye: 6 (Stoudamire-Phillips, Hammerstad, Goldman, Leary, Erickson, Dozono) Nay: 0 Motion passed</p>
9.	<p>ACTION AGENDA</p> <p>Resolution 14-24 For the purpose of approving a Second Amendment of the Food and Beverages Operations Agreement (Agreement) with ARAMARK/Giacometti Joint Venture Partnership (Aramark) for the MERC Facilities.</p> <ul style="list-style-type: none"> Scott Cruickshank presented the resolution to the Commission. <ul style="list-style-type: none"> Commissioner Leary asked for feedback on the subcontractor qualifying process and how it will be aligned to FOTA hiring goals and the process for that alignment. Roy Jay, partner in Giacometti Joint Venture Partnership responded that he was aware of the difficulties in meeting FOTA goals and suggested expanding the FOTA boundaries. Robinson noted that FOTA consultants will recommend a strategy and the strategy will be incorporated into the requirements of the contract. Commissioner Leary asked that the <u>Skanner</u> be struck from Exhibit 11 and not be listed as a specific outreach newspaper. Bernie Foster, Skanner publisher and partner in the Giacometti Joint Venture Partnership, replied that he had no problem with that change. Robinson stated that the Commission can act on the resolution and direct staff to make the change since it is not considered substantive. Metro Deputy Attorney, Nathan Sykes, confirmed that since this is a subcontractor qualifying process with broad parameters it could evolve and change. Commissioner Leary requested that the Giacometti Partnership provide quarterly and annual reports to the Commission as is required in the Aramark contract. Commissioner Dozono requested that Exhibit 11 also include the organization, REACH, under FOTA Hiring Practices/Community Outreach. The Commission agreed to the changes.

	<ul style="list-style-type: none"> • A motion was made by Commissioner Hammerstad and seconded by Commissioner Leary to approve Resolution 14-24 with the changes to Exhibit 11 as requested. • Commissioner Leary inquired if further changes could be made to Exhibit 11. • Metro Deputy Attorney, Nathan Sykes, replied that the changes requested today were not substantive and, since the resolution states that the commission approves the agreement “in a form substantially similar to Attachment A” the vote can go forward. He will change the document as requested. If more substantive changes are requested in the future, they would need to be renegotiated with Aramark and an amendment to the contract may be necessary. <p>VOTING: Aye: 6 (Stoudamire-Phillips, Hammerstad, Goldman, Leary, Erickson, Dozono) Nay: 0 Motion passed</p>
	<ul style="list-style-type: none"> • Bernie Foster, publisher of the Skanner, requested a moment to speak. • Chair Goldman yielded the floor. • Foster offered thanks to Roy Jay and Jeff Miller of Travel Portland for their efforts on the National Newspaper Publishers Association 2014 convention held recently in Portland.
	<p>As there was no further business to come before the Commission, the meeting adjourned at 2:10 p.m.</p>

**Authorization to Represent MERC/METRO
on Trade-Promotion Mission; Fact-Finding Mission;
Economic Development Activity; or Negotiation
(Food Travel, Lodging Expenses Approved in Advance- exception (H))**

In accordance with ORS 244.020(5) (b) (H), the following public officials: **MERC Commissioner Ray Leary**, is hereby authorized to represent Metro/MERC in an official capacity; and

The MERC Commission hereby approves the receipt of reasonable expenses for food, travel, and lodging for the above-named public official, for attendance at (*check one*):

- trade-promotion mission;
fact-finding mission;**
- economic development activity; OR
negotiation;**

as follows (*describe date and type of event*):

Travel Portland activities/events where meals were paid for by Travel Portland, during the Annual ASAE Meeting, to familiarize meeting and event planners with Portland and with the Oregon Convention Center, and to facilitate Oregon and Portland tourism and economic development, which activity (ies) took place in Nashville, Tennessee on August 8-12, 2014.

Being approved by the MERC Commission September 10, 2014, the above activity is hereby officially sanctioned by MERC.

Terry Goldman
MERC Commission Chair

**Authorization to Represent MERC/METRO
on Trade-Promotion Mission; Fact-Finding Mission;
Economic Development Activity; or Negotiation
(Food Travel, Lodging Expenses Approved in Advance- exception (H))**

In accordance with ORS 244.020(5)(b)(H), the following public officials: **MERC Commissioner Karis Stoudamire-Phillips** are hereby authorized to represent Metro/MERC in an official capacity; and

The MERC Commission hereby approves in advance, the receipt of reasonable expenses for food, travel, and lodging for the above-named public official, for attendance at (*check one*):

- trade-promotion mission;
fact-finding mission;**
- economic development activity; OR
negotiation;**

as follows (*describe date and type of event*):

Travel Portland activities/events where meals will be paid for by Travel Portland, during the Congressional Black Caucus, to familiarize meeting and event planners with Portland and with the Oregon Convention Center, and to facilitate Oregon and Portland tourism and economic development, which activity(ies) will take place in Washington, D.C. September 24-25, 2014.

Being approved by the MERC Commission September 10, 2014, the above activity is hereby officially sanctioned by MERC.

Terry Goldman
MERC Commission Chair

**Authorization to Represent MERC/METRO
on Trade-Promotion Mission; Fact-Finding Mission;
Economic Development Activity; or Negotiation
(Food Travel, Lodging Expenses Approved in Advance- exception (H))**

In accordance with ORS 244.020(5)(b)(H), the following public officials: **all current MERC Commissioners and current Metro Councilors** are hereby authorized to represent Metro/MERC in an official capacity; and

The MERC Commission and Metro Council hereby approves in advance, the receipt of reasonable expenses for food, travel, and lodging for the above-named public officials and his/her accompanying relative, household member, or staff member, for attendance at (*check one*):

- trade-promotion mission;
fact-finding mission;**
- economic development activity; OR
negotiation;**

as follows (*describe date and type of event*):

A Portland familiarization tour (“fam tour”) and activities related to the Travel Portland Customer Advisory Board where meals will be paid for by Travel Portland, to familiarize potential meeting planners and association executives with Portland and with the Oregon Convention Center, and to facilitate Oregon and Portland tourism and economic development, which activities will take place in Portland on October 1-3, 2014 and December 4-6, 2014.

Being approved by the MERC Commission, at its regular meeting on September 10, 2014, the above activity is hereby officially sanctioned by MERC.

MERC Commission Chair

Being approved by the Metro Council, at its regular meeting on _____, the above activity is hereby officially sanctioned by Metro.

Metro Council President

MERC Commission Meeting

September 10, 2014
12:30 pm

8.0 Action Agenda

METROPOLITAN EXPOSITION RECREATION COMMISSION
Resolution No. 14-25

For the purpose of selecting Freewire Broadband as the lowest responsive and responsible bidder in response to a Request for Bids, relating to the "Event Internet Services - Oregon Convention Center (OCC)" and authorizing the Metro Deputy COO to execute a contract with Freewire Broadband.

WHEREAS, OCC intends to enter into a five-year contract to purchase, on a monthly basis, high-speed internet to support the OCC/MERC business network and the OCC show network that is sold as a service to show management, exhibitors and attendees; and

WHEREAS, OCC has included the monthly purchase of business and show related internet in its ongoing operating budget; and

WHEREAS, Section 4(D)(1) of the Metropolitan Exposition Recreation Commission's ("MERC") contracting and purchasing rules, allows for competitive sealed bids in accordance with ORS 279B.055 for public contracts such as this purchase; and

WHEREAS, MERC staff have evaluated the bids and Freewire Broadband is the lowest responsive and responsible bidder, with a bid amount of one-hundred, eighty-two thousand, and 00/100ths dollars (\$182,000.00).

BE IT THEREFORE RESOLVED as follows:

1. MERC selects Freewire Broadband as the lowest responsive and responsible bidder in response to the Request for Bids "Event Internet Services - Oregon Convention Center (OCC)."
2. MERC approves the contract with Freewire Broadband in the form substantially similar to the attached Exhibit A and authorizes the Metro Deputy COO to execute the contract on behalf of the Metropolitan Exposition Recreation Commission.

Passed by the Commission on September 10, 2014.

Chair

Secretary/Treasurer

Approved As to Form:
Alison R. Kean, Metro Attorney

By: _____
Nathan A. S. Sykes
Deputy Metro Attorney

MERC Staff Report

Agenda Item/Issue: For the purpose of selecting Freewire Broadband as the lowest responsive and responsible bidder in response to a Request for Bids, relating to the “Event Internet Services - Oregon Convention Center (OCC)” and authorizing the Metro Deputy COO to execute a contract with Freewire Broadband.

Resolution No.: 14-25

Presented By: Scott Cruickshank

Date: September 10, 2014

Background and Analysis: The Oregon Convention Center (OCC) has an operational need to provide staff with reliable high-speed internet in order to conduct day-to-day business as well as the ability to provide high capacity wireless internet access for use by venue attendees, exhibitors and show management to allow them to check email, surf the web, stream video, video conference, VPN and etcetera via our extensive wired and Wi-Fi networks. The internet provided to venue attendees, exhibitors and show management must have the ability to expand bandwidth capacity on short notice on an event by event basis to meet show requirements. Internet revenue for the OCC was \$778,605 for fiscal year (FY) 12-13 and \$572,312 for FY 13-14.

MERC staff prepared and issued bid documents and a Request for Bids in accordance with MERC's purchasing and contracting rules as well as Metro policy and all state (ORS) requirements. On June 12, 2014, MERC posted the bid on ORPIN, an e-solicitation and e-bidding system managed by the State of Oregon. On June 13, 2014, an advertisement was posted in the Daily Journal of Commerce. On June 19, 2014, an advertisement was posted in the Skanner News publication. On June 25, 2014, a bid of \$182,000.00 was received from Freewire Broadband, the lowest responsive and responsible bidder. No bidders were certified MWESB contractors or from the FOTA district.

Fiscal Impact: The FY 2014-15 adopted budget includes \$84,000 appropriation for internet-related services. The annual estimated expense for this contract is \$36,400.00. Annually, the reoccurring monthly payment for the business and show network internet equals \$11,400.00. Additional dollars were added to the contract to cover increased bandwidth needs required to meet certain show requirements. The full contract dollar amount may or may not be required each year. Additional daily charges for incremental increases to show bandwidth at 10Mbps is billed back to the client per OCC's material and services pricing policies.

Recommendation: Staff recommends that the Metropolitan Exposition-Recreation Commission, by Resolution No. 14-25, approve the contract award and written contract with Freewire Broadband for the amount of One Hundred, Eighty-Two Thousand, 00/100 dollars (\$182,000.00) and authorize the Metro Deputy COO to execute the contract.

Standard Public Contract

MERC CONTRACT NO. 204098

For Public Contracts \$50,000 & Above

THIS Contract is entered into between Metropolitan Exposition Recreation Commission (MERC), an appointed commission of Metro, whose address is 600 NE Grand Avenue, Portland, Oregon 97232-2736, and **Freewire Broadband**, whose address is **7327 SW Barnes Road, #702, Portland, OR 97235**, hereinafter referred to as the "CONTRACTOR."

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I SCOPE OF WORK

CONTRACTOR shall perform the work and/or deliver to MERC the goods described in the Scope of Work attached hereto as Attachment A. All services and goods shall be of good quality and, otherwise, in accordance with the Scope of Work.

ARTICLE II TERM OF CONTRACT

The term of this Contract shall be for the period commencing **September 15, 2014** through and including **August 31, 2019**.

ARTICLE III CONTRACT SUM AND TERMS OF PAYMENT

MERC shall compensate the CONTRACTOR for work performed and/or goods supplied as described in the Scope of Work. MERC shall not be responsible for payment of any materials, expenses or costs other than those which are specifically included in the Scope of Work. Payment shall be made by MERC on a Net 30 day basis upon approval of CONTRACTOR invoice.

ARTICLE IV LIABILITY AND INDEMNITY

CONTRACTOR is an independent contractor and assumes full responsibility for the content of its work and performance of CONTRACTOR'S labor, and assumes full responsibility for all liability for bodily injury or physical damage to person or property arising out of or related to this Contract, and shall indemnify, defend and hold harmless MERC, its agents and employees, from any and all claims, demands, damages, actions, losses, and expenses arising out of or in any way connected with its performance of this Contract. CONTRACTOR is solely responsible for paying CONTRACTOR'S subcontractors and nothing contained herein shall create or be construed to create any contractual relationship between any subcontractor(s) and MERC.

ARTICLE V TERMINATION

MERC may terminate this Contract upon giving CONTRACTOR seven (7) days written notice. In the event of termination, CONTRACTOR shall be entitled to payment for work performed to the date of termination. MERC shall not be liable for indirect, consequential damages or any other damages. Termination by MERC will not waive any claim or remedies it may have against CONTRACTOR.

ARTICLE VI INSURANCE & BONDS

CONTRACTOR shall purchase and maintain at the CONTRACTOR'S expense, the following types of insurance, covering the CONTRACTOR, its employees, and agents:

- A. The most recently approved ISO (Insurance Services Office) Commercial General Liability policy, or its equivalent, written on an occurrence basis, with limits not less than \$1,000,000 per occurrence and \$1,000,000 aggregate. The policy will include coverage for bodily injury, property damage, personal injury, contractual liability, premises and products/completed operations. CONTRACTOR'S coverage will be primary as respects METRO;

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MERC CONTRACT NO. 204098

- B. Automobile insurance with coverage for bodily injury and property damage and with limits not less than minimum of \$1,000,000 per occurrence;
- C. Workers' Compensation insurance meeting Oregon statutory requirements including Employer's Liability with limits not less than \$500,000 per accident or disease; and
- D. Professional Liability Insurance, with limits of not less than \$1,000,000 per occurrence, covering personal injury and property damage arising from errors, omissions or malpractice.

METRO, MERC, its elected officials, departments, employees, and agents shall be named as ADDITIONAL INSUREDS on Commercial General Liability and Automobile policies.

CONTRACTOR shall provide to MERC 30 days notice of any material change or policy cancellation.

CONTRACTOR shall provide MERC with a Certificate of Insurance complying with this article upon return of the CONTRACTOR signed agreement to MERC. Certificate of Insurance shall identify the MERC contract number.

CONTRACTOR shall not be required to provide the liability insurance described in this Article only if an express exclusion relieving CONTRACTOR of this requirement is contained in the Scope of Work.

In addition, for public works subject to ORS 279C.800 to 279C.870, CONTRACTOR and every subcontractor shall have a public works bond required by 2005 Oregon Laws Chapter 360 filed with the Construction Contractors Board before starting work on the project, unless exempt under Section 2 of 2005 Oregon Laws Chapter 360.

ARTICLE VII PUBLIC CONTRACTS

All applicable provisions of ORS chapters 187 and 279A, 279B, and 279C and all other terms and conditions necessary to be inserted into public contracts in the State of Oregon, are hereby incorporated as if such provision were a part of this Agreement. Specifically, it is a condition of this contract that CONTRACTOR and all employers working under this Agreement are subject employers that will comply with ORS 656.017 as required by 1989 Oregon Laws, Chapter 684.

For public work subject to ORS 279C.800 to 279C.870, the CONTRACTOR shall pay prevailing wages. If such public work is subject both to ORS 279C.800 to 279C.870 and to 40 U.S.C. 276a, the CONTRACTOR and every subcontractor on such public work shall pay at least the higher prevailing wage. The CONTRACTOR and each subcontractor shall pay workers not less than the specified minimum hourly rate of wage in accordance with Section 7 of 2005 Oregon Laws Chapter 360. MERC shall pay an administrative fee as provided in ORS 279C.825(1) to the Bureau of Labor and Industries pursuant to the administrative rules established by the Commissioner of Labor and Industries. CONTRACTORS must promptly pay, as due, all persons supplying to such contractor labor or material used in this contract. If the CONTRACTOR or first-tier subcontractor fails, neglects, or refuses to make payment to a person furnishing labor or materials in connection with the public contract for a public improvement within 30 days after receipt of payment from the public contracting agency or a contractor, the CONTRACTOR or first-tier subcontractor shall owe the person the amount due plus shall pay interest in accordance with ORS 279C.515. If the CONTRACTOR or first-tier subcontractor fails, neglects, or refuses to make payment, to a person furnishing labor or materials in connection with the public contract, the person may file a complaint with the Construction Contractors Board, unless payment is subject to a good faith dispute as defined in ORS 279C.580. CONTRACTOR must pay any and all contributions and amounts due to the Industrial Accident Fund from contractor or subcontractor and incurred in the performance of the contract. No liens or claims are permitted to be filed against MERC on account of any labor or material furnished. CONTRACTORS are required to pay the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

For public improvement work all CONTRACTORS must demonstrate that an employee drug-testing program is in place.

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ARTICLE VIII MODIFICATIONS

MERC may approve changes and modifications to the original contract, including deletions of work, order of additional materials, and additional services reasonably related to the original work scope. Contractor may propose changes in the work that Contractor believes are necessary, will result in higher quality work, improve safety, decrease the amount of the contract, or otherwise result in a better or more efficient work product. If such changes are approved by MERC, they shall be executed by written contract amendment signed by both parties. Such changes shall not relieve Contractor of any obligation or warranty under the contract. No oral statements by either party shall modify or affect the terms of the contract.

ARTICLE IX QUALITY OF GOODS AND SERVICES

Unless otherwise specified, all materials shall be new and both workmanship and materials shall be of the highest quality. All workers and subcontractors shall be skilled in their trades. CONTRACTOR guarantees all work against defects in material or workmanship for a period of one (1) year from the date of acceptance or final payment by MERC, whichever is later. All guarantees and warranties of goods furnished to CONTRACTOR or subcontractors by any manufacturer or supplier shall be deemed to run to the benefit of MERC.

ARTICLE X OWNERSHIP OF DOCUMENTS

Unless otherwise provided herein, all documents, instruments and media of any nature produced by CONTRACTOR pursuant to this agreement are Work Products and are the property of MERC, including but not limited to: drawings, specifications, reports, scientific or theoretical modeling, electronic media, computer software created or altered specifically for the purpose of completing the Scope of Work, works of art and photographs. Unless otherwise provided herein, upon MERC request, CONTRACTOR shall promptly provide MERC with an electronic version of all Work Products that have been produced or recorded in electronic media. MERC and CONTRACTOR agree that all work Products are works made for hire and Contractor hereby conveys, transfers, and grants to MERC all rights of reproduction and the copyright to all such Work Products.

- A. CONTRACTOR and subcontractors shall maintain all fiscal records relating to such contracts in accordance with generally accepted accounting principles. In addition, CONTRACTOR and subcontractors shall maintain any other records necessary to clearly document:
1. The performance of the CONTRACTOR, including but not limited to the contractor's compliance with contract plans and specifications, compliance with fair contracting and employment programs, compliance with Oregon law on the payment of wages and accelerated payment provisions; and compliance with any and all requirements imposed on the CONTRACTOR or subcontractor under the terms of the contract or subcontract;
 2. Any claims arising from or relating to the performance of the CONTRACTOR or subcontractor under a public contract;
 3. Any cost and pricing data relating to the contract; and
 4. Payments made to all suppliers and subcontractors.
- B. CONTRACTOR and subcontractors shall maintain records for the longer period of (a.) six years from the date of final completion of the contract to which the records relate or (b.) until the conclusion of any audit, controversy or litigation arising out of or related to the contract.
- C. CONTRACTOR and subcontractors shall make records available to METRO, and its authorized representatives, including but not limited to the staff of any METRO department and the staff of the METRO Auditor, within the boundaries of the METRO region, at reasonable times and places regardless of whether litigation has been filed on any claims. If the records are not made available within the boundaries of METRO, the CONTRACTOR or subcontractor agrees to bear all of the costs for METRO employees, and any necessary consultants hired by METRO, including but not limited to the costs of travel, per diem sums, salary, and any other expenses that Metro incurs, in sending its employees or consultants to examine, audit, inspect, and copy those records. If the CONTRACTOR elects to have such records outside these

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boundaries, the costs paid by the CONTRACTOR to METRO for inspection, auditing, examining and copying those records shall not be recoverable costs in any legal proceeding.

D. CONTRACTOR and subcontractors authorize and permit METRO and its authorized representatives, including but not limited to the staff of any METRO department and the staff of the METRO Auditor, to inspect, examine, copy and audit the books and records of CONTRACTOR or subcontractor, including tax returns, financial statements, other financial documents and any documents that may be placed in escrow according to any contract requirements. METRO shall keep any such documents confidential to the extent permitted by Oregon law, subject to the provisions of section E.

E. CONTRACTOR and subcontractors agree to disclose the records requested by METRO and agree to the admission of such records as evidence in any proceeding between METRO and the CONTRACTOR or subcontractor, including, but not limited to, a court proceeding, arbitration, mediation or other alternative dispute resolution process.

F. CONTRACTOR and subcontractors agree that in the event such records disclose that METRO is owed any sum of money or establish that any portion of any claim made against Metro is not warranted, the CONTRACTOR or subcontractor shall pay all costs incurred by METRO in conducting the audit and inspection. Such costs may be withheld from any sum that is due or that becomes due from METRO.

G. Failure of the CONTRACTOR or subcontractor to keep or disclose records as required by this document or any solicitation document may result in disqualification as a bidder or proposer for future METRO contracts as provided in ORS 279B.130 and Metro Code Section 2.04.070(c), or may result in a finding that the CONTRACTOR or subcontractor is not a responsible bidder or proposer as provided in ORS 279B.110 and Metro Code Section 2.04.052.

ARTICLE XI SUBCONTRACTORS

CONTRACTOR shall contact MERC prior to negotiating any subcontracts and CONTRACTOR shall obtain approval from MERC before entering into any subcontracts for the performance of any of the services and/or supply of any of the goods covered by this Contract.

MERC reserves the right to reasonably reject any subcontractor or supplier and no increase in the CONTRACTOR'S compensation shall result thereby. All subcontracts related to this Contract shall include the terms and conditions of this agreement. CONTRACTOR shall be fully responsible for all of its subcontractors as provided in Article IV.

ARTICLE XII RIGHT TO WITHHOLD PAYMENTS

MERC shall have the right to withhold from payments due CONTRACTOR such sums as necessary, in MERC's sole opinion, to protect MERC against any loss, damage or claim which may result from CONTRACTOR'S performance or failure to perform under this agreement or the failure of CONTRACTOR to make proper payment to any suppliers or subcontractors. In addition for public improvement work, if a CONTRACTOR is required to file certified statements under ORS 279C.845, MERC shall retain 25 percent of any amount earned by the CONTRACTOR on the public works until the contractor has filed all required certified statements with MERC.

If a liquidated damages provision is contained in the Scope of Work and if CONTRACTOR has, in MERC's opinion, violated that provision, MERC shall have the right to withhold from payments due CONTRACTOR such sums as shall satisfy that provision. All sums withheld by MERC under this Article shall become the property of MERC and CONTRACTOR shall have no right to such sums to the extent that CONTRACTOR has breached this Contract.

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ARTICLE XIII SAFETY

If services of any nature are to be performed pursuant to this agreement, CONTRACTOR shall take all necessary precautions for the safety of employees and others in the vicinity of the services being performed and shall comply with all applicable provisions of federal, state and local safety laws and building codes, including the acquisition of any required permits.

ARTICLE XIV INTEGRATION OF CONTRACT DOCUMENTS

All of the provisions of any procurement documents including, but not limited to, the Advertisement for Bids, Proposals or responses, General and Special Instructions to Bidders, Proposal, Scope of Work, and Specifications which were utilized in conjunction with the bidding of this Contract are hereby expressly incorporated by reference. Otherwise, this Contract represents the entire and integrated agreement between MERC and CONTRACTOR and supersedes all prior negotiations, representations or agreements, either written or oral. This Contract may be amended only by written instrument signed by both MERC and CONTRACTOR. The laws of the state of Oregon shall govern the construction and interpretation of this Contract.

ARTICLE XV COMPLIANCE

CONTRACTOR shall comply with federal, state, and local laws, statutes, and ordinances relative to the execution of the work. This requirement includes, but is not limited to, non-discrimination, safety and health, environmental protection, waste reduction and recycling, fire protection, permits, fees and similar subjects.

ARTICLE XVI INTERGOVERNMENTAL COOPERATIVE AGREEMENT

Pursuant to ORS 279A and the Metro public contract code, Metro participates in an Intergovernmental Cooperative Purchasing program by which other public agencies shall have the ability to purchase the goods and services under the terms and conditions of this awarded contract. Any such purchases shall be between the Contractor and the participating public agency and shall not impact the Contractor's obligation to Metro under this agreement. Any estimated purchase volumes listed herein do not include volumes for other public agencies, and Metro makes no guarantee as to their participation in any purchase. Any Contractor may decline to extend the prices and terms of this solicitation to any or all other public agencies upon execution of this contract. Unless the Contractor specifically declines to participate in the program by marking the box below, the Contractor agrees to participate in the Intergovernmental Cooperative Purchasing program. **Contractor declines to participate in the Intergovernmental Cooperative Purchasing program or is not applicable to this Contract as indicated by the following initials _____.**

ARTICLE XVII SITUS

The situs of this Agreement is Portland, Oregon. Any litigation over this agreement shall be governed by the laws of the State of Oregon and shall be conducted in the Circuit Court of the state of Oregon for Multnomah County, or, if jurisdiction is proper, in the U.S. District Court for the District of Oregon.

ARTICLE XVIII ASSIGNMENT

CONTRACTOR shall not assign any rights or obligations under or arising from this Contract without prior written consent from MERC.

ARTICLE XIX SEVERABILITY

The parties agree that any provision of this Contract that is held to be illegal, invalid, or unenforceable under present or future laws shall be fully severable. The parties further agree that this Contract shall be construed and enforced as if the illegal, invalid, or unenforceable provision had never been a part of them and the remaining provisions of the Contract

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shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Contract. Furthermore, a provision as similar to the illegal, invalid, or unenforceable provision as is possible and legal, valid and enforceable shall be automatically added to this Contract in lieu of the illegal, invalid, or unenforceable provision. Any failure by MERC to enforce a provision of the Contract is not to be construed as a waiver by MERC of this right to do so.

ARTICLE XX COUNTERPARTS

This Contract may be executed in counterparts or multiples, any one of which will have the full force of an original.

ARTICLE XXI DELIVERY OF NOTICES

Any notice, request, demand, instruction, or any other communications to be given to any party hereunder shall be in writing, sent by registered or certified mail or fax as follows:

To Contractor: Jeff Burchett
Freewire Broadband
7327 SW Barnes Road, #702
Portland, OR 97225
503-614-8282 fax

To Metro: Metro Procurement Services
600 NE Grand Ave
Portland, Oregon 97232
503-797-1791 fax

With Copy to: Bill Stratton
777 NE Martin Luther King Jr. Blvd
Portland, OR 97232
503-731-7806 fax

CONTRACTOR

METROPOLITAN EXPOSITION RECREATION
COMMISSION

By _____

By _____

Print Name _____

Print Name _____

Date _____

Date _____

Scope of Work – Attachment A

MERC Contract No. 204098

1. Purpose and Goal of Work

The Oregon Convention Center (OCC) has an operational need to provide staff reliable high speed Internet to conduct day to day business along with the ability to provide high capacity wireless Internet access for use by venue attendees, exhibitors, and show management to check email, surf the web, stream video, video conference, VPN, etc. via our extensive wired and WiFi networks. The Internet provided to venue attendees, exhibitors, show management has the ability to expand bandwidth capacity on short notice on an event by event basis to meet show requirements.

2. Description of the Scope of Work

The scope of work consists of the Contractor providing high capacity wireless Internet access for use by venue attendees to check email, surf the web, stream video, video conference, VPN, etc. via our extensive wired and WiFi networks.

- The general service must meet these minimum requirements for Oregon Convention Center (OCC) •
- Free Installation
- 24x7 supports
- Internet access to be provided by wireless antenna service to downtown Portland/Vancouver
- Ability to provide daily and weekly services for additional bandwidth in 10Mbps increments on an as needed basis
- Ability to access web portal to view Internet statistics in real-time
- Guaranteed service performance metrics are:
 1. Availability: 99.99% or greater network availability, determined on monthly basis.
 2. Latency: 60ms or less average round trip delay, determined on monthly basis
 3. Packet Loss: 0.5% or less average packet loss, determined on monthly basis
 4. Throughput: 95% or greater average of purchased speed on a monthly basis.

OCC Requirements:

- Full time bandwidth level of 30Mbps full duplex for event related Internet service
- Full time bandwidth level of 10Mbps full duplex for Administration Internet service
- Ability to increase bandwidth to a minimum of 1Gbps with 1 hour notice
- Minimum 3 class C Public IP addresses
- 100Mbps redundant wireless backup with auto fail over

3. Deliverables/Outcomes

Reliable, high speed Internet for OCC staff to conduct business and for show management and exhibitors to access and use and increase bandwidth on short notice to meet growing Internet demands due to the increased use of technology and expectations of our clients.

Scope of Work – Attachment A

MERC Contract No. 204098

4. Payment and Billing

Item No.	Number of Units	Description of Item	Unit Price (figures)	Total Amount (figures)
1	12	OCC Monthly recurring charge for 30Mbps full duplex	Year 1: \$750	Year 1: \$9,000
			Year 2: \$750	Year 2: \$9,000
			Year 3: \$750	Year 3: \$9,000
			Year 4: \$750	Year 4: \$9,000
			Year 5: \$750	Year 5: \$9,000
2	12	OCC Monthly recurring charge for 10Mbps full duplex	Year 1: \$200	Year 1: \$2,400
			Year 2: \$200	Year 2: \$2,400
			Year 3: \$200	Year 3: \$2,400
			Year 4: \$200	Year 4: \$2,400
			Year 5: \$200	Year 5: \$2,400
3	2500	OCC Daily rate for additional Internet bandwidth in 10Mbps increments	Year 1: \$50	Year 1: \$25,000
			Year 2: \$50	Year 2: \$25,000
			Year 3: \$50	Year 3: \$25,000
			Year 4: \$50	Year 4: \$25,000
			Year 5: \$50	Year 5: \$25,000
Total Contract Amount			\$182,000.00	
Total Contract Amount (in words) One Hundred, Eighty-Two Thousand and 00/100 Dollars				

Contractor shall perform the above work for a maximum price not to exceed **One Hundred, Eighty-Two Thousand AND 00/100TH DOLLARS (\$182,000.00)**.

The maximum price includes all fees, costs and expenses of whatever nature. Each of MERC's payments to Contractor shall equal the percentage of the work Contractor accomplished during the billing period. Contractor's billing invoices shall include the MERC contract number, Contractor name, remittance address, invoice date, invoice number, invoice amount, tax amount (if applicable), and an itemized statement of work performed and expenses incurred during the billing period, and will not be submitted more frequently than once a month. Contractor's billing invoices shall be sent to Metro Accounts Payable, 600 NE Grand Avenue, Portland, OR 97232-2736 or metroaccountspayable@oregonmetro.gov. The MERC contract number shall be referenced in the email subject line. Contractor's billing invoices for services through June 30 shall be submitted to MERC by July 15. Payment shall be made by MERC on a Net 30 day basis upon approval of Contractor invoice.

**Materials following this page are
attachments to the public record.**

September

AS OF: 9/12/2014 10:35

		Tentative calendar for the month of					Tentative calendar for the month of				
		SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY			
ASCH			1	2	3	4	5	6			
KA							OSO Special Brandi Carlile 7:30pm				
NMK						Anima Mundi Prod Canticle Black Madonna 7:30pm Open Rehearsal	Anima Mundi Prod Canticle Black Madonna 7:30pm	Anima Mundi Prod Canticle Black Madonna 7:30pm			
WIN					Portland'5 All-Staff Meeting 6:00pm		Amer Music Program Fundraiser w/Thara Memory 8:00pm				
AHH								FearNoMusic Kathleen Supove 8:00pm BT			
OCC	EXPO					Oncology Nurses	Oncology Nurses				
ASCH		7	8	9	10	11	12	13			
KA											
NMK		Anjali School of Dance Anjali School of Dance 5:00pm	Qiuling Ruan On Wings of Song 7:30pm	Live Wire Radio Live Wire Radio 8:00pm	AEG Live Productions Tim and Eric 8:00pm		Square Peg Concerts Anjelah Johnson 7:00pm and 10:00pm Two shows one call time	Anjali School of Dance Anjali School of Dance 6:00pm			
WIN							PICA 2014 TBA Festival Cipher by Samita Sinha 6:30pm	PICA 2014 TBA Festival Cipher by Samita Sinha 6:30pm			
AHH					A Rock or Something The Telling Project 7:30pm BT Noontime Showcase 12:00pm Rotunda	A Rock or Something The Telling Project 7:30pm BT	A Rock or Something The Telling Project 7:30pm BT	A Rock or Something The Telling Project 7:30pm BT			
OCC	EXPO								Cannabis Conference		
ASCH									RC Gun & Knife Show		
KA		OSO Special Tchaikovsky 2:00pm		Seattle Theatre Grp Neil deGrasse Tyson 7:30pm	Seattle Theatre Grp Neil deGrasse Tyson 7:30pm				OSO Special Ben Folds 7:30pm		
NMK				Double Tee Crosby Stills & Nash 8:00pm					Steve Litman Presents Australian Pink Floyd 8:00pm		
WIN			PICA 2014 TBA Festival A Living Documentary 6:30pm	PICA 2014 TBA Festival A Living Documentary 6:30pm							
AHH							Staged Musical Theatre Parade 7:30pm Open Rehearsal BT	Staged Musical Theatre Parade 7:30pm BT			
OCC	EXPO	Cannabis Conference			NW Apparel/Footwear	NW Apparel/Footwear	Comic Con/RM Auction Silver Car Auction JBF Clothing Sale	Comic Con Silver Car Auction JBF Clothing Sale			
ASCH									OSO Classical #1 Nadja Salerno-Sonnenberg 7:30pm		
KA		OSO Presentation Herbie Hancock 7:30pm			True West Old Crow Medicine Show 7:30pm						
NMK		Pixie Dust Productions La Cage Aux Folles 2:00pm									
WIN					Third Rail Repertory Middletown 7:30pm Open Rehearsal	Third Rail Repertory Middletown 7:30pm	Third Rail Repertory Middletown 7:30pm	Third Rail Repertory Middletown 7:30pm			
AHH		Staged Musical Theatre Parade 2:00pm BT				Staged Musical Theatre Parade 7:30pm BT	Staged Musical Theatre Parade 7:30pm BT	Staged Musical Theatre Parade 7:30pm BT Parade Reception @5pm Main Street			
OCC	EXPO	Comic Con OR Health Care Conv JBF Clothing Sale	OR Health Care Conv	Viewpoint Construction	Viewpoint Construction	Viewpoint Construction	NW Quilting Expo	NW Quilting Expo	Chldrn's Cancer Gala VegFest NW Quilting Expo		
ASCH											
KA		OSO Classical #1 Nadja Salerno-Sonnenberg 7:30pm	OSO Classical #1 Nadja Salerno-Sonnenberg 8:00pm								
NMK		Premier Productions Bill Gaither 3:00pm									
WIN		Pixie Dust Productions La Cage Aux Folles 2:00pm									
AHH		Third Rail Repertory Middletown 2:00pm									
OCC	EXPO	Staged Musical Theatre Parade 2:00pm BT									
OCC	EXPO	VegFest Geothermal Resource	Geothermal Resource	Geothermal Resource							

NOTE: ALL LISTED EVENTS ARE SUBJECT TO CHANGE WITHOUT NOTICE

ASCH = Arlene Schnitzer Concert Hall KA = Keller Auditorium NMK = Newmark Theatre WIN = Dolores Winningstad Theatre OCC = Oregon Convention Center R = Rotunda BH = Brunish Hall

