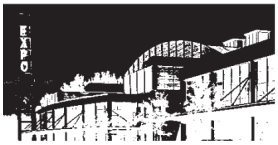
MERC Commission Meeting

February 6, 2013
12:30 pm

Oregon Convention Center
Rooms A107/108



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

www.oregon**metro.gov**

Metro | *Exposition Recreation Commission*

Agenda

Meeting: Metro Exposition Recreation Commission Meeting

Date: Wednesday, February 6, 2013

Time: 12:30 – 2:30 pm

Place: Oregon Convention Center, A107-A108

CALL TO ORDER

12:30	**1.**	**QUORUM CONFIRMED**	
12:35	**2.**	**COMMISSIONER COMMUNICATIONS**	**Chris Erickson**
	2.1	**Budget Chair report**	**Terry Goldman**
12:45	**3.**	**FY 2012 Financial Audit**	**Suzanne Flynn** **Tim Collier** **Moss Adams**
1:00	**4.**	**GENERAL MANAGER COMMUNICATIONS**	**Teri Dresler**
	4.1	Financial Report	
1:10	**5.**	**CONSENT AGENDA**	
	5.1	December 21, 2012 MERC Special Telephonic Meeting Record of Actions	
	5.2	January 9, 2013 MERC Regular Meeting Record of Actions	
	5.3	Approval of Ethics Authorization Form for Travel Portland CAB FAM February 13-15, 2013, event	
1:15	**6.**	**MERC VENUES' BUSINESS REPORTS**	**Scott Cruickshank** **Robyn Williams** **Matthew P. Rotchford**
1:30	**7.**	**OPPORTUNITY FOR PUBLIC COMMENT ON NON-AGENDA ITEMS**	
1:35	**8.**	**TRAVEL PORTLAND Quarterly Report**	**Jeff Miller**
1:55	**9.**	**ACTION AGENDA**	
	9.1	**Resolution 13-03** for the purpose of approving Budget Amendment FY 2012-13	**Cynthia Hill** **Mary Rowe**
	9.2	**Resolution 13-04** for the purpose of approving a collective bargaining agreement with the International Longshore and Warehouse Union	
2:15	**10.**	**EXECUTIVE SESSION –** for the purpose of requesting authorization to negotiate with labor unions on behalf of MERC	**Mary Rowe**

ADJOURN

MERC Commission Meeting

February 6, 2013
12:30 pm

3. FY 2012 Financial Audit

MOSS-ADAMS LLP
Certified Public Accountants | Business Consultants

Tim Collier, Interim Director of Finance and Regulatory Services
600 NE Grand Ave.
Portland, OR 97232-2736

We have completed our audit of the financial statements of Metro for the year ended June 30, 2012 and have issued our report thereon dated December 3, 2012. In planning and performing our audit of the financial statements in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures and for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of Metro's internal control. Accordingly, we do not express an opinion on the effectiveness of Metro's internal control.

During the course of the audit, we noted an other matter involving the internal control structure, operations, and financial reporting that is presented for your consideration that we would categorize as a 'best practice' that is reported to you below. Our comment and recommendation has been discussed with appropriate members of management, and is intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss this comment in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendation.

Natural Areas Bond Expenditures

During testing of the Natural Areas Bond expenditures we noted several charges that Metro has classified as "administration charges". Our interpretation of administration expenses is any expenditure that will assist Metro in identifying and purchasing qualified Land parcels. Metro's definition appears to be much broader and could result in the spending of bond funds on items that could be deemed unallowable. The expenditures were immaterial in relation to the bond as a whole. However, non-compliance may have negative effects that go beyond the ultimate dollar effect.

> **Recommendation**: We recommend management develop a policy, supervised and reviewed by appropriate parties in addition to management, to create a definition of what administrative expenses are allowable and unallowable to provide guidance to Metro staff involved in the Natural Areas Bond activities and expenditure processes.

Praxity MEMBER
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

MOSS ADAMS LLP

Management Response: Management believes that the expenditures in the Natural Area Bond have been allowable general and administrative expenditures. However, we do agree with Moss Adams that Metro would benefit by developing a more formal policy and will develop said policy with approval from appropriate parties in the coming year.

This report is intended solely for the information and use of Metro, and is not intended to be and should not be used by anyone other than these specified parties.

Moss Adams, LLP

Eugene, Oregon
December 3, 2012

MERC Commission Meeting

February 6, 2013
12:30 pm

3.1 Financial Report

DECEMBER 2012

FINANCIAL INFORMATION

For Management Purposes only

PORTLAND CENTER FOR THE PERFORMING ARTS

A SERVICE OF METRO

PORTLAND expo CENTER

OREGON CONVENTION CENTER

A SERVICE OF METRO

THE merc

METROPOLITAN EXPOSITION RECREATION COMMISSION

A SERVICE OF METRO

Date: January 23,2013

To:

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

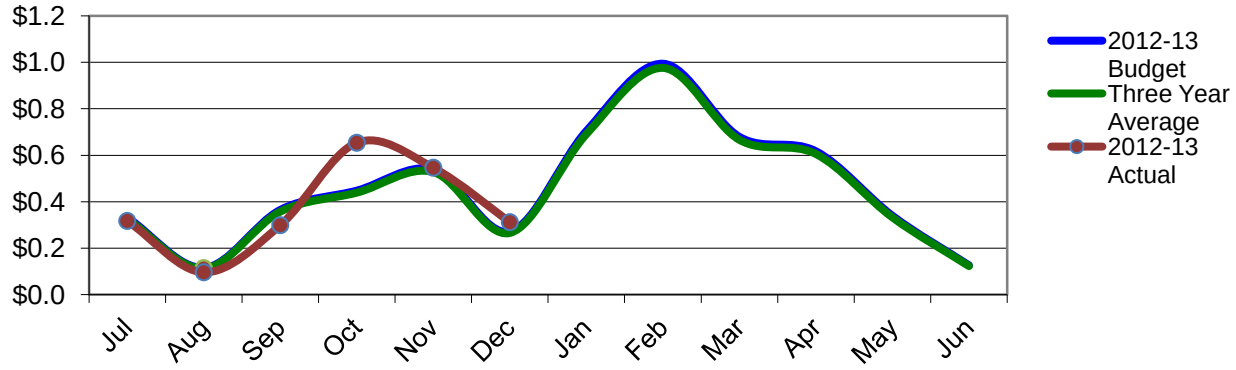
From: Cynthia Hill – Finance Manager

Re: MERC Financial Information December 2012

Enclosed please find the monthly financial report for the Metropolitan Exposition Recreation Commission reflecting revenues and expenditures as of December 2012.

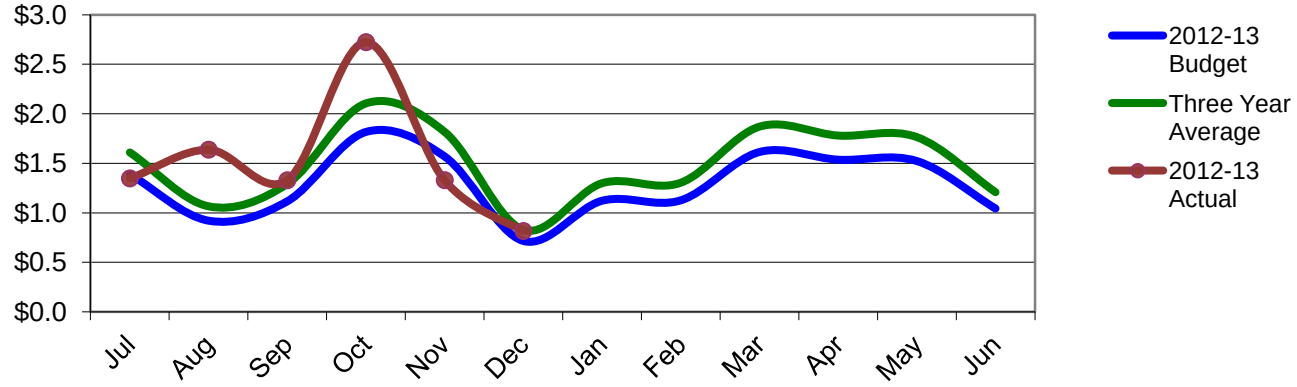
Expo- Operating Revenues by Month

shown in millions

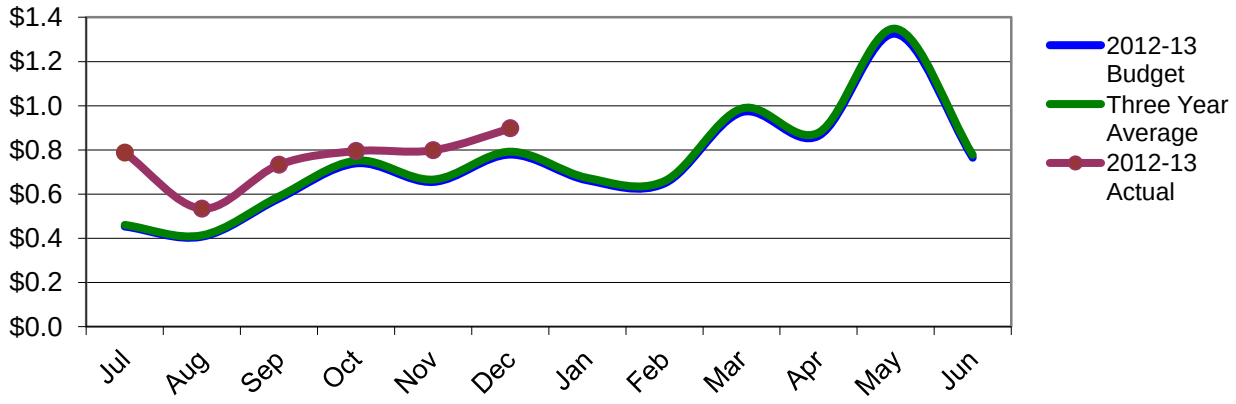


OCC- Operating Revenues by Month

shown in millions



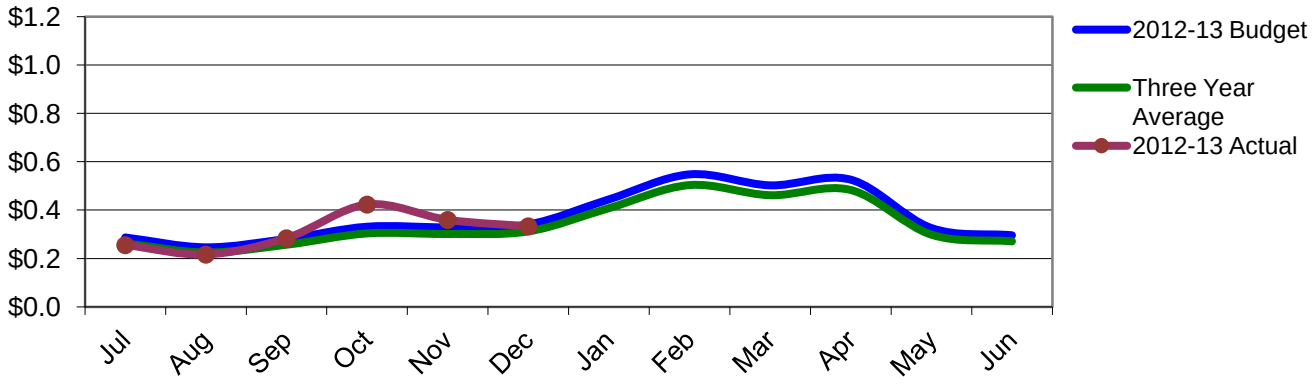
PCPA Operating Revenues by Month
shown in millions



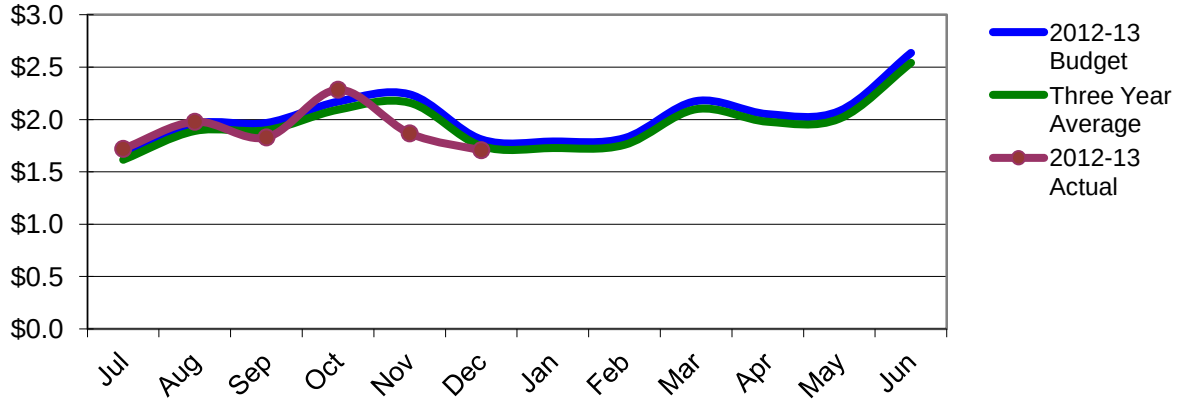
MERC operating revenues are $15.9 million year to date compared to $15.8 million in the prior year, an increase of $136 thousand. Expo Center's top grossing events in the month of December were America's Largest Christmas Bazaar ($144 thousand) and the Collectors West Gun Show ($77 thousand) The top grossing events at OCC included Maxim Integrated - Holiday Party ($132 thousand) and the Association for Fire Ecology – 5th International Fire Congress ($95 thousand). PCPA performances included the Nutcracker ($196 thousand) and the Singing Christmas Tree ($173 thousand). December is usually a slower month for the Convention Center and the Expo Center however a very busy time for the Portland Center for Performing Arts.

The following numbers for attendance events and performances compare December 2012 to December 2011. Expo attendance was 10,205 greater than 2011 with one more event; OCC attendance was 6,749 greater than 2011 with one less event; PCPA attendance was 20,184 less however there were 11 more performances.

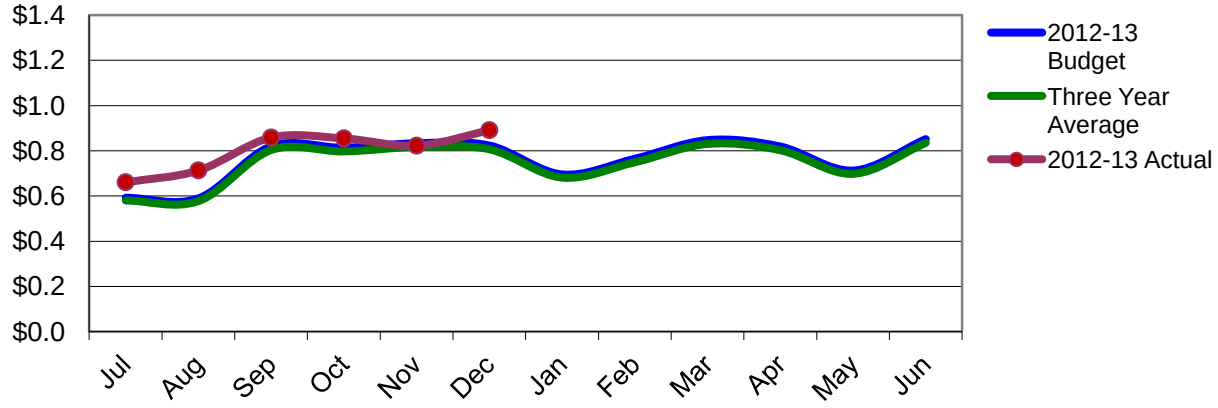
Expo - Operating Expenditures by Month
shown in millions



OCC - Operating Expenditures by Month
shown in millions



PCPA - Operating Expenditures by Month
shown in millions



MERC operating expenditures year to date are $18.9 million, compared to $19.2 million in the prior year, a decrease of $313 thousand. Operating expenditures relate directly to the event schedule at each venue. Position vacancies at the Oregon Convention Center continue to generate savings greater than anticipated in the original budget.

Non Operating

Transient Lodging Tax (TLT) receipts provide fundamental operating and marketing financial support for OCC and PCPA. Year to date transfers received from Multnomah County are $4.191 million compared $4.022 million in the prior year, an increase of $170 thousand or 4 percent. Year to date as of December room nights sold in the market are up 2.4 percent, occupancy rates (room nights per hotel) are up 2.1 percent and the average daily room rate (ADR) is up 7.3 percent.

MERC Visitor Venues

Events-Performances-Attendance

December FY 12-13

OCC	December 2011		December 2012		Net Change from Prior Year	
	Events	Attendance	Events	Attendance	Events	Attendance
Tradeshows/Conventions	3	2,981	5	5,977	2	2,996
Consumer Public Shows	4	21,363	4	25,486	-	4,123
Miscellaneous	-	-	3	-	3	-
Miscellaneous -In-House	11	302	8	220	(3)	(82)
Meetings	12	2,484	7	1,806	(5)	(678)
Catering	7	3,771	9	4,161	2	390
Totals	**37**	**30,901**	**36**	**37,650**	**(1)**	**6,749**

Expo Center	December 2011		December 2012		Net Change from Prior Year	
	Events	Attendance	Events	Attendance	Events	Attendance
Consumer Public Shows	3	33,710	3	43,119	-	9,409
Miscellaneous	1	1,251	2	2,057	1	806
Meetings	1	35	1	25	-	(10)
Catering	-	-	-	-	-	-
Tradeshows/Conventions	-	-	-	-	-	-
Totals	**5**	**34,996**	**6**	**45,201**	**1**	**10,205**

PCPA	December 2011		December 2012		Net Change from Prior Year	
	Performances	Attendance	Performances	Attendance	Performances	Attendance
Commercial (Non-Broadway)	31	29,354	45	34,725	14	5,371
Broadway	9	18,526	-	-	(9)	(18,526)
Resident Company	98	124,029	102	114,723	4	(9,306)
Student	21	6,787	28	14,443	7	7,656
Non-Profit	75	47,196	78	42,068	3	(5,128)
Miscellaneous	13	750	5	499	(8)	(251)
Totals	**247**	**226,642**	**258**	**206,458**	**11**	**(20,184)**

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

All Departments

December 2012

2013-06

	Current Month Actual	Current Year to Date Actual	Prior Year to Date Actual	% of Prior Year	Annual Budget	% of Annual Budget
	December-12	December-12	December-11		December-12	50%
Operating						
Revenue	1,276,990	8,997,250	8,602,267	105%	18,067,732	50%
Revenue - Food and Beverage	746,862	6,943,227	7,202,198	96%	11,804,821	59%
Total Operating Revenue	**2,023,852**	**15,940,477**	**15,804,466**	**101%**	**29,872,553**	**53%**
Costs - Food and Beverage	839,845	5,803,537	5,947,290	98%	9,862,144	59%
Personal Services	1,417,268	8,238,654	8,603,306	96%	17,567,418	47%
Goods & Services	629,177	3,475,154	3,308,118	105%	8,264,736	42%
Marketing Travel Portland	225,004	1,350,024	1,321,260	102%	4,014,278	34%
Total Operating Expenses	**3,111,294**	**18,867,368**	**19,179,974**	**98%**	**39,708,576**	**48%**
Net Operating Results Inc (Dec)	**(1,087,441)**	**(2,926,891)**	**(3,375,509)**	**87%**	**(9,836,023)**	**30%**
Non Operating	-	-	-		-	
Transient, Lodging Tax	669,747	4,191,273	4,022,417	104%	9,985,127	42%
Visitor Development Fund (VDF)	-	-	-	-	3,147,506	0%
Government Support City of Portland	-	-	-	-	793,408	0%
Non-Operating Revenue	5,952	51,032	98,124	52%	156,412	33%
Non-Operating Expense	-	-	-	-	2,200,000	0%
	675,699	**4,242,305**	**4,120,541**	**103%**	**11,882,453**	**36%**
Support and Risk Management						
MERC Administration	0	-	-	-	-	-
Metro Support Services	207,527	1,250,574	1,082,424	116%	2,498,424	50%
Metro Risk Management	-	486,202	494,511	98%	729,301	67%
	207,527	**1,736,776**	**1,576,935**	**110%**	**3,227,725**	**54%**
Net Increase (Decrease)	**(619,269)**	**(421,362)**	**(831,902)**	**51%**	**(1,181,295)**	**36%**
Transfers						
Transfers to (Expense)	13,421	80,526	38,940	207%	392,056	21%
Transfers from (Revenue)	4,167	25,002	114,822	22%	2,768,633	1%
Debt Service (Expense)	-	937,816	925,816	101%	1,187,132	79%
Net Transfers	**(9,254)**	**(993,340)**	**(849,934)**	**117%**	**1,189,445**	**-84%**
Net Operations	**(628,523)**	**(1,414,702)**	**(1,681,836)**	**84%**	**8,150**	**-17358%**
	-	-	(0)		-	
Capital						
Capital Outlay	61,375	537,755	1,072,714	50%	3,344,077	16%
Construction Management	-	-	-	-	-	-
Transient, Lodging Tax	-	-	-	-	-	-
Non-Operating Revenue	-	-	98,616	0%	295,000	0%
Intrafund Transfers (Exp/Rev)	-	-	-	-	-	-
Transfers from (Revenue)	-	-	-	-	-	-
Net Capital	**(61,375)**	**(537,755)**	**(974,098)**	**55%**	**(3,049,077)**	**18%**
Fund Balance Inc (Dec)	**(689,898)**	**(1,952,457)**	**(2,655,934)**	**74%**	**(3,040,927)**	**64%**
	-	-	-		-	
Food and Beverage Gross Margin	**(92,983)**	**1,139,690**	**1,254,908**		**1,942,677**	**59%**
Food and Beverage Gross Margin	**-12.4%**	**16.4%**	**17.4%**		**16.5%**	
Full Time Employees			**-**		**190.0**	
Excise Tax	**79,349**	**843,970**	**880,764**			
Transient, Lodging Taxes as percent of revenue	**25%**	**21%**	**20%**		**25%**	
Fund Balance						
Beginning Fund Balance		26,161,717	26,357,848		26,161,717	
Fund Balance Inc (Dec)		(1,952,457)	(2,655,934)		(3,040,927)	
Ending Fund Balance		**24,209,260**	**23,701,914**		**23,120,790**	
Unrestricted Fund Balance					2,384,950	
Operating Contingency					2,299,335	
Stabilization Reserve					620,500	
Designated for Renewal & Replacement					12,277,072	
New Capital/Business Strategy Reserve					5,196,719	
Restricted by Agreement - TLT					142,214	
Ending Fund Balance					**23,120,790**	
					-	

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

Portland Exposition Center

December 2012

2013-06

	Current Month Actual December-12	Current Year to Date Actual December-12	Prior Year to Date Actual December-11	% of Prior Year	Annual Budget December-12	% of Annual Budget 50%
Operating						
Revenue	236,326	1,592,458	1,615,118	99%	3,838,186	41%
Revenue - Food and Beverage	75,173	629,857	556,923	113%	1,864,849	34%
Total Operating Revenue	**311,499**	**2,222,315**	**2,172,042**	**102%**	**5,703,035**	**39%**
Costs - Food and Beverage	126,547	639,687	557,788	115%	1,505,243	42%
Personal Services	130,905	746,238	728,734	102%	1,605,485	46%
Goods & Services	75,671	484,657	509,526	95%	1,342,728	36%
Total Operating Expenses	**333,123**	**1,870,582**	**1,796,048**	**104%**	**4,453,456**	**42%**
Net Operating Results Inc (Dec)	**(21,623)**	**351,734**	**375,994**	**94%**	**1,249,579**	**28%**
Non Operating						
Non-Operating Revenue	748	6,046	14,639	41%	21,290	28%
Non-Operating Expense	-	-	-	-	-	-
	748	**6,046**	**14,639**	**41%**	**21,290**	**28%**
Support and Risk Management						
MERC Administration	12,829	76,972	93,669	82%	153,944	50%
Metro Support Services	18,678	112,555	97,416	116%	224,858	50%
Metro Risk Management	-	53,992	57,298	94%	80,988	67%
	31,507	**243,519**	**248,383**	**98%**	**459,790**	**53%**
Net Increase (Decrease)	**(52,382)**	**114,260**	**142,250**	**80%**	**811,079**	**14%**
Transfers						
Transfers to	113	678	-	-	1,359	-50%
Transfers from	375	2,250	7,980	28%	4,500	50%
Debt Service	-	937,816	925,816	101%	1,187,132	79%
Net Transfers	**262**	**(936,244)**	**(917,836)**	**102%**	**(1,183,991)**	**79%**
Net Operations	**(52,120)**	**(821,984)**	**(775,586)**	**106%**	**(372,912)**	**220%**
Capital						
Capital Outlay Expense	50,973	327,499	53,483	612%	574,500	57%
Non-Operating Revenue	-	-	4,987	0%	-	-
Intrafund Transfers	-	-	-	-	270,000	-100%
Net Capital	**(50,973)**	**(327,499)**	**(48,496)**	**675%**	**(304,500)**	**108%**
Fund Balance Inc (Dec)	**(103,093)**	**(1,149,482)**	**(824,081)**	**139%**	**(677,412)**	**170%**
Food and Beverage Gross Margin	**(51,374)**	**(9,829)**	**(865)**		**359,606**	**-3%**
Food and Beverage Gross Margin %	**-68.3%**	**-1.6%**	**-0.2%**		**19.3%**	
Full Time Employees					**13.3**	
Excise Tax	**22,946**	**164,410**	**160,658**		**-**	
Fund Balance						
Beginning Fund Balance		4,310,142	4,732,826		4,310,142	
Fund Balance Inc (Dec)		(1,149,482)	(824,081)		(677,412)	
Ending Fund Balance		**3,160,660**	**3,908,745**		**3,632,730**	
Unrestricted Fund Balance					182,705	
Operating Contingency					364,000	
Stabilization Reserve					186,000	
Designated for Renewal & Replacement					775,000	
New Capital/Business Strategy Reserve					2,125,025	
Ending Fund Balance					**3,632,730**	
		-	-		-	

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

Oregon Convention Center

December 2012

2013-06

	Current Month Actual	Excluding EMP Current Year to Date Actual	Prior Year to Date Actual	% of Prior Year	Annual Budget	% of Annual Budget
	December-12	December-12	December-11		December-12	50%
Operating						
Revenue	367,556	3,920,034	4,008,831	98%	7,798,834	50%
Revenue - Food and Beverage	446,825	5,251,675	5,659,901	93%	8,224,999	64%
Total Operating Revenue	**814,380**	**9,171,709**	**9,668,732**	**95%**	**16,023,833**	**57%**
Costs - Food and Beverage	516,635	4,285,714	4,579,302	94%	6,880,666	62%
Personal Services	702,839	4,238,034	4,572,417	93%	9,224,471	46%
Goods & Services	262,721	1,514,501	1,659,550	91%	3,884,221	39%
Marketing Travel Portland	225,004	1,350,024	1,321,260	102%	4,014,278	34%
Total Operating Expenses	**1,707,200**	**11,388,273**	**12,132,529**	**94%**	**24,003,636**	**47%**
Net Operating Results Inc (Dec)	**(892,819)**	**(2,216,564)**	**(2,463,797)**	**90%**	**(7,979,803)**	**28%**
Non Operating						
Transient, Lodging Tax	583,884	3,653,941	3,488,731	105%	8,729,303	42%
Visitor Development Fund (VDF)	-	-	-	-	2,520,676	0%
Non-Operating Revenue	2,758	17,620	35,375	50%	46,678	38%
Non-Operating Expense	-	-	-	-	2,200,000	0%
	586,642	**3,671,560**	**3,524,106**	**104%**	**9,096,657**	**40%**
Support and Risk Management						
MERC Administration	79,823	478,939	582,825	82%	957,878	50%
Metro Support Services	116,215	700,321	606,162	116%	1,399,118	50%
Metro Risk Management	-	272,272	264,912	103%	408,408	67%
	196,038	**1,451,532**	**1,453,899**	**100%**	**2,765,404**	**52%**
Net Increase (Decrease)	**(502,215)**	**3,464**	**(393,590)**	**-1%**	**(1,648,550)**	**0%**
Transfers						
Transfers to (Expense)	704	4,224	-	-	239,450	2%
Transfers from (Revenue)	2,334	14,004	66,180	21%	2,228,000	1%
Net Transfers	**1,630**	**9,780**	**66,180**	**15%**	**1,988,550**	0%
Net Operations	**(500,585)**	**13,244**	**(327,410)**	**-104%**	**340,000**	**4%**
Capital						
Capital Outlay Expense	10,402	89,014	699,987	13%	2,152,577	4%
Non-Operating Revenue	-	-	1,404	0%	220,000	0%
Intrafund Transfers (Exp/Rev)	-	-	-	-	90,000	0%
Net Capital	**(10,402)**	**(89,014)**	**(698,583)**	**13%**	**(1,842,577)**	**5%**
Fund Balance Inc (Dec)	**(510,987)**	**(75,770)**	**(1,025,993)**	**7%**	**(1,502,577)**	**5%**
Food and Beverage Gross Margin	**(69,810)**	**965,961**	**1,080,599**		**1,344,333**	**72%**
Food and Beverage Gross Margin %	**-15.6%**	**18.4%**	**19.1%**		**16.3%**	
Full Time Employees					**110.3**	
Excise Tax	**56,402**	**679,560**	**719,856**		**-**	
Transient, Lodging Taxes as percent of revenue	**42%**	**28%**	**27%**		**35%**	
Fund Balance						
Beginning Fund Balance		11,058,549	11,552,031		11,058,549	
Fund Balance Inc (Dec)		(75,770)	(1,025,993)		(1,502,577)	
Fund Balance Inc (Dec) for HQH		(211,428)	-		-	
Ending Fund Balance		**10,771,351**	**10,526,038**		**9,555,972**	
Unrestricted Fund Balance					725,337	
Operating Contingency					1,540,000	
Stabilization Reserve					260,000	
Designated for Renewal & Replacement					5,685,779	
New Capital/Business Strategy Reserve					1,334,856	
Restricted by Agreement - TLT					10,000	
Ending Fund Balance					**9,555,972**	

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

Portland Center for the Performing Arts

December 2012

2013-06

	Current Month Actual December-12	Current Year to Date Actual December-12	Prior Year to Date Actual December-11	% of Prior Year	Annual Budget December-12	% of Annual Budget 50%
Operating						
Revenue	673,108	3,484,759	2,974,890	117%	6,430,712	54%
Revenue - Food and Beverage	224,864	1,061,694	985,374	108%	1,714,973	62%
Total Operating Revenue	**897,972**	**4,546,453**	**3,960,264**	**115%**	**8,145,685**	**56%**
Costs - Food and Beverage	196,662	878,136	810,200	108%	1,476,235	59%
Personal Services	481,724	2,691,566	2,606,382	103%	5,582,207	48%
Goods & Services	212,648	1,230,715	1,011,834	122%	2,105,811	58%
Total Operating Expenses	**891,035**	**4,800,418**	**4,428,416**	**108%**	**9,164,253**	**52%**
Net Operating Results Inc (Dec)	**6,937**	**(253,965)**	**(468,152)**	**54%**	**(1,018,568)**	**25%**
Non Operating						
Transient, Lodging Tax	85,863	537,332	533,687	101%	1,255,824	43%
Visitor Development Fund (VDF)	-	-	-	-	626,830	0%
Government Support City of Portland	-	-	-	-	793,408	0%
Non-Operating Revenue	1,869	24,308	43,277	56%	84,376	29%
Non-Operating Expense	-	-	-	-	-	-
	87,733	**561,640**	**576,963**	**97%**	**2,760,438**	**20%**
Support and Risk Management						
MERC Administration	49,890	299,337	364,266	82%	598,674	50%
Metro Support Services	72,634	437,698	378,846	116%	874,448	50%
Metro Risk Management	-	159,938	172,301	93%	239,905	67%
	122,524	**896,973**	**915,413**	**98%**	**1,713,027**	**52%**
Net Increase (Decrease)	**(27,853)**	**(589,297)**	**(806,602)**	**73%**	**28,843**	**-2043%**
Transfers						
Intrafund Transfers	-	-	-	-	-	-
Transfers to (Expense)	440	2,640	-	-	5,281	50%
Transfers from (Revenue)	1,458	8,748	28,440	31%	17,500	50%
Net Transfers	**1,018**	**6,108**	**28,440**	21%	**12,219**	**50%**
Net Operations	**(26,835)**	**(583,189)**	**(778,162)**	**75%**	**41,062**	**-1420%**
Capital						
Capital Outlay Expense	-	121,242	319,245	38%	570,000	21%
Non-Operating Revenue	-	-	92,225	0%	75,000	0%
Intrafund Transfers (Exp/Rev)	-	-	-	-	-	-
Net Capital	**-**	**(121,242)**	**(227,020)**	**53%**	**(495,000)**	**24%**
Fund Balance Inc (Dec)	**(26,835)**	**(704,431)**	**(1,005,182)**	**70%**	**(453,938)**	**155%**
Food and Beverage Gross Margin	**28,202**	**183,558**	**175,174**		**238,738**	**77%**
Food and Beverage Gross Margin %	**12.5%**	**17.3%**	**17.8%**		**13.9%**	
Full Time Employees					**46.4**	
Taxes as percent of revenue	**9%**	**11%**	**12%**		**13%**	
Fund Balance						
Beginning Fund Balance		8,445,301	8,490,410		8,445,301	
Fund Balance Inc (Dec)		(704,431)	(1,005,182)		(453,938)	
Ending Fund Balance		**7,740,870**	**7,485,228**		**7,991,363**	
Operating Contingency					300,000	
Stabilization Reserve					174,500	
Designated for Renewal & Replacement					5,345,000	
New Capital/Business Strategy Reserve					1,736,838	
Ending Fund Balance					**7,991,363**	

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

Convention Center Enhanced Marketing Project

December 2012

2013-06

	Current Month Actual	Current Year to Date Actual	Prior Year to Date Actual	% of Prior Year	Annual Budget	% of Annual Budget
	December-12	**December-12**	**December-11**		**December-12**	**50%**
Operating						
Personal Services	-	-	-	-	-	-
Goods & Services	55,531	138,444	-	-	372,667	37%
Meetings Expense	*257*	*598*	-	-	*800*	75%
Developer Agreement I	-	-	-	-	-	-
Developer Agreement II	-	-	-	-	-	-
Communications Consulting	*4,400*	*8,277*	-	-	*50,000*	17%
Construction Consulting	-	*16,145*	-	-	*25,000*	65%
Financial Consulting	*4,449*	*4,449*	-	-	*5,000*	89%
Legal Consulting	-	-	-	-	-	-
Management Consulting	-	*2,000*	-	-	*168,967*	1%
Market Consulting	*46,425*	*106,975*	-	-	*122,900*	87%
Project Management	-	-	-	-	-	-
Net Operating Results Inc (Dec)	**(55,531)**	**(138,444)**	**-**	**-**	**(372,667)**	**37%**
Transfers						
Transfers to	12,164	72,984	-	-	145,966	50%
Transfers from	-	-	-	-	518,633	0%
Net Transfers	**(12,164)**	**(72,984)**	**-**	-	**372,667**	-20%
Net Operations	**(67,695)**	**(211,428)**	**-**	**-**	**-**	**-**

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

MERC Administration

December 2012

2013-06

	Current Month Actual	Current Year to Date Actual	Prior Year to Date Actual	% of Prior Year	Annual Budget	% of Annual Budget
	December-12	December-12	December-11		December-12	50%
Operating						
Revenue	-	-	3,427	0%	-	-
Personal Services	101,800	562,816	695,773	81%	1,155,255	49%
Goods & Services	22,606	106,836	127,208	84%	559,309	19%
Net Operating Results Inc (Dec)	**(124,405)**	**(669,652)**	**(819,554)**	**82%**	**(1,714,564)**	**39%**
Non Operating						
Non-Operating Revenue	577	3,059	4,834	63%	4,068	75%
Non-Operating Expense	-	-	-	-	-	-
	577	**3,059**	**4,834**	**63%**	**4,068**	**75%**
Support and Risk Management						
MERC Administration	142,541	855,248	1,040,760	82%	1,710,496	50%
	142,541	**855,248**	**1,040,760**	**82%**	**1,710,496**	**50%**
Net Increase (Decrease)	**18,713**	**188,654**	**226,040**	**83%**	**-**	**-**
Transfers						
Transfers to (Expense)	-	-	38,940	0%	-	-
Transfers from (Revenue)	-	-	12,222	0%	-	-
Net Transfers	**-**	**-**	**(26,718)**	0%	**-**	-
Net Operations	**18,713**	**188,654**	**199,322**	**95%**	**-**	**-**
Capital						
Capital Outlay Expense	-	-	-	-	47,000	0%
Transient, Lodging Tax	-	-	-	-	-	
Non-Operating Revenue	-	-	-	-	-	-
Intrafund Transfers (Exp/Rev)	-	-	-	-	(360,000)	0%
Net Capital	**-**	**-**	**-**	**-**	**(407,000)**	**0%**
Fund Balance Inc (Dec)	**18,713**	**188,654**	**199,322**	**95%**	**(407,000)**	**-46%**
Full Time Employees					**20.0**	
Excise Tax	**-**	**-**	**251**		**-**	
Fund Balance						
Beginning Fund Balance		2,347,725	1,582,581		2,347,725	
Fund Balance Inc (Dec)		188,654	199,322		(407,000)	
Ending Fund Balance		**2,536,379**	**1,781,903**		**1,940,725**	
Operating Contingency					95,335	
Designated for Renewal & Replacement					471,293	
Contingency for Renewal & Replacement					200,000	
Restricted by Agreement - TLT					132,214	
Ending Fund Balance					**1,940,725**	

MERC Commission Meeting

February 6, 2013
12:30 pm

5.0 Consent Agenda

Metropolitan Exposition Recreation Commission
Record of MERC Commission Actions

December 21, 2012
Metro Regional Center, Room 301

Present:	Chris Erickson, Chair (on telephone), Terry Goldman (on telephone), Karis Stoudamire-Phillips (on telephone), Judie Hammerstad (on telephone).
Absent:	Cynthia Haruyama (excused), Ray Leary (excused), Elisa Dozono (excused)
	A Special Telephonic Meeting of the Metropolitan Exposition Recreation Commission was called to order by Chair Chris Erickson at 2:05 p.m.
1.0	**QUORUM CONFIRMED** A quorum of Commissioners was present (on telephone).
2.0 **2.1**	**ACTION AGENDA** **Resolution 12-23 for the purpose of amending the contract with SBS Construction for Oregon Convention Center Main Kitchen Cooler Remodel Project** • Scott Cruickshank presented Resolution 12-23 and reviewed the staff report content with the Commission. • A motion was made by Commissioner Hammerstad and seconded by Commissioner Stoudamire-Phillips to approve Resolution 12-23 as presented. VOTING: Aye: 4 (Erickson, Goldman, Hammerstad, Stoudamire-Phillips) Nay: 0 Motion passed
	As there was no further business to come before the Commission, the meeting was adjourned at 2:10 p.m.

METROPOLITAN EXPOSITION RECREATION COMMISSION

RESOLUTION NO. 12-23

Amending the contract with SBS Construction and authorizing the General Manager of Visitor Venues to execute the amendment to the Main Kitchen Original Cooler Remodel Project - General Contractor Services at the Oregon Convention Center (OCC)

WHEREAS, the Metropolitan Exposition Recreation Commission (MERC) approved a contract with SBS Construction to act as the general contractor for the replacement of kitchen equipment for its food operation at the OCC; and

WHEREAS, certain issues arose as the project progressed that require additional work outside the scope of the work approved by MERC; and

WHEREAS, the revised scope of work will cost an additional $73,000.00; and

WHEREAS, Section 8(A) of MERC's Contracting and Purchasing Rules requires that MERC approve any contract amendment that exceeds 20% of the original contract award; and

WHEREAS, adequate appropriation exists to fund this increase to the Main Kitchen Cooler project; and

WHEREAS, OCC staff recommend that MERC approve this amendment to the SBS Construction contract.

BE IT THEREFORE RESOLVED as follows:

1. MERC approves the amendment to the OCC Main Kitchen Original Cooler Remodel - General Contractor Services in the amount of $73,000.00 for a total contract amount of $218,275.00.
2. MERC delegates authority to the General Manager of Visitor Venues to execute the contract amendment in a form substantially similar to the attached Exhibit A.

Passed by the Commission on December 21, 2012.

Chair

Approved as to form:
Alison Kean Campbell, Metro Attorney

By:_____
Nathan A. Schwartz Sykes, Senior Attorney

Secretary/Treasurer

MERC STAFF REPORT

Agenda Item/Issue: Approval of contract amendment due to cost overruns for the Main Kitchen Original Cooler Remodel – General Contractor Services at the Oregon Convention Center.

Resolution No: 12-23

Presented by: Scott Cruickshank

Date: December 21, 2012

Background and Analysis:

On December 4, 2012, the MERC Commission authorized the General Manager of Visitor Venues to sign to a contract with **SBS Construction** in the amount of **$145,275.00** for the main kitchen original cooler remodel – General Contractor Services at the Oregon Convention Center. Once the original coolers and freezer were removed, it was determined that the concrete slab underneath the freezer was heaving and unlevel. This required unplanned removal of the slab. The removal exposed frozen soil materials of an approximate 20'x40' area 3 feet in depth. A severed drain line resided in this frozen material. It is necessary to fully excavate the concrete slab, remove all the frozen material, replace drain line, backfill with crushed rock, grade and pour a new concrete slab prior to the installation of the new freezer and coolers ($58,000). Additionally, wall removal for the new corridor to dry storage from the hall revealed structural support systems for an existing stairway. Contractors will need to construct a new structural steel support beam for the stairway and reconstruct the wall surrounding the new entryway ($15,000).

FISCAL IMPACT:

The original contracted amount was **$145,275.00.** The additional work will cost up to **$73,000.** The additional expense will be funded from the ARAMARK capital fund.

RECOMMENDATION:

Staff recommends that the Metropolitan Exposition Recreation Commission delegate authority to the General Manager of Visitor Venues to execute the amendment increasing the contract amount with **SBS Construction** to **$218,275** to cover the additional costs of the project caused by the concealed concrete slab/soil issues and stairway structural support work. There will not be a need to modify the Capital Improvement Plan.

Metropolitan Exposition Recreation Commission
Record of MERC Commission Actions

January 9, 2013
Portland Center for the Performing Arts, Brunish Hall

Present:	Chris Erickson (Chair), Elisa Dozono, Ray Leary , Karis Stoudamire-Phillips (arrived at 1:05 p.m.) , Cynthia Haruyama (left at 2:55 p.m.)
Absent:	Terry Goldman (Excused) , Judie Hammerstad (Excused),
	A regular meeting of the Metropolitan Exposition Recreation Commission was called to order by chair Chris Erickson at the Portland Center for Performing Arts, Brunish Theatre at 12:30pm
1.0	**QUORUM CONFIRMED** A quorum of Commissioners was present.
2.0	**COMMISSIONER COMMUNICATIONS** • Commissioner Leary acknowledged Matt Rotchford's outstanding work in introducing the new Expo sign. Commissioner Dozono agreed. • Chair Erickson congratulated PCPA on the New Year's Eve show at the Arlene Schnitzer Concert Hall featuring Japanese singer Saori Yuki and Pink Martini. The concert was live-streamed to Tokyo, Japan.
3.0	**COO COMMUNICATIONS** • Martha Bennett Reported on Metro's FY 13-14 budget process. • Structural issues in MERC funds need to be addressed and she recommended the venues update their strategic plans while emphasizing that short term budget decisions should be based on long-term plans. She expressed concern with controlling costs especially due to significant health care cost increases predicted in the near future.
4.0	**GENERAL MANAGER COMMUNICATIONS** • Teri Dresler presented to the Commission. • Dresler updated the Commission on the upcoming Budget Committee meeting. • Dresler provided a revised Convention Center Hotel project SAG market study report with a revised number of room nights lost. • Commissioner Haruyama inquired if Strategic Advisory Group had ever recommended against a city pursuing the Convention Center Hotel. Dresler responded affirmatively. • Teri Dresler updated the Convention Center Hotel negotiation process and noted that they are waiting for a financial report from the consultant. • Dresler reported on a recent legislative agenda work session with the three newly inaugurated Metro councilors at which one asked whether there were any state funds that might be available to help with the hotel project. Gun shows at Expo also came up as a topic. Dresler will follow-up with them to answer their questions.
5.0	**CONSENT AGENDA** November 7, 2012 MERC Commission Record of Actions December 4, 2012 MERC Commission Record of Actions • A motion was made by Commissioner Dozono and seconded by Commissioner Haruyama to approve the Consent Agenda. **VOTING:** Aye: 4 (Erickson, Dozono, Leary, Haruyama) Nay: 0 Motion Passed
6.0	**MERC VENUES' BUSINESS REPORTS** • Robyn Williams, Matthew Rotchford and Scott Cruickshank updated the Commission (Commissioner Stoudamire-Phillips arrived at 1:05 p.m.)
7.0	**OPPORTUNITY FOR PUBLIC COMMENT ON NON-AGENDA ITEMS**

8.0	**OREGON SYMPHONY PRESENTATION** • J. Clayton Hering presented his comments which are attached and made a part of this meeting record.
9.0	**PCPA BRANDING** • Robyn Williams introduced Sockeye Creative to the Commission. The company was selected to work on the re-branding of PCPA • Sockeye Creative team including Peter Metz, Executive Creative Director; Laurel Burton, Senior Resource and Project Manager; and Maria Janosko, Senior Designer, presented to the Commission new logo designs for each PCPA building.
10.0 **10.1**	**ACTION AGENDA** **Resolution 13-01 for the purpose of selecting Hydrotemp Mechanical Inc. as the lowest responsive and responsible bidder in response to a Request For Bids relating to the Portland Center for the Performing Arts (PCPA), Antoinette Hatfield Hall "Cooling Tower and Piping Replacement Project," and authorizing the General manager to execute a contract with Hydrotemp Mechanical Inc.** • Robyn Williams and Josh Lipscomb presented Resolution 13-01 to the Commission. • Commissioner Leary inquired if the additional funds requested were contingency funds. Robyn Williams and Josh Lipscomb responded affirmatively. • Commissioner Dozono inquired about the FOTA / MWESB procurement process and asked If there is ever any communication with MWESB and FOTA candidates to see what might be their barrier to submitting bids. Josh Lipscomb responded they have not. • Commissioner Leary inquired if a joint venture was considered in the process to partnering a larger firm with a MWESB/FOTA firm. Josh Lipscomb responded they have not. • Teri Dresler commented that there is a renewed emphasis on MWESB/FOTA outreach. Joint venture is one of the action items planned. (Commissioner Haruyama left the meeting at 2:55 p.m.) • A motion was made by Commissioner Dozono and seconded by Commissioner Leary to approve Resolution 13-01 as presented. **VOTING:** Aye: 5 (Erickson, Dozono, Leary, Stoudamire-Phillips) Nay: 0 Motion Passed
10.2	**Resolution 13-02 for the purpose of accepting Carleton Hart Architecture's Proposal for the Oregon Convention Center (OCC) – Consulting Services – Original Building Roof Replacement Project, and authorizing the General Manager to enter into an agreement for Personal Services.** • Scott Cruickshank presented resolution 13-02 to the Commission. • A motion was made by Commissioner Stoudamire-Phillips and seconded by Commissioner Dozono to approve Resolution 13-02 as presented. **VOTING:** Aye: 4 (Erickson, Dozono, Leary, Stoudamire-Phillips) Nay: 0 Motion Passed • Teri Dresler announced that Travel Portland's Customer Advisory Board will be held in Portland on Feb 13th and 14th. An invitation will be sent to the Commission soon.
	Meeting adjourned at 3:10 pm

January 9, 2013
MERC Commission Meeting

Verbatim Testimony

J. Clayton Hering

Good Afternoon:

For the record, I am Clayton Hering. I live at 1708 SW Highland Road, Portland, 97204. I am currently Chairman of the Board at Norris, Beggs and Simpson and Vice Chairman of the Oregon Symphony.

First, I would like to compliment Robyn Williams and her PCPA staff for doing really an excellent job and professional job of managing the Arlene Schnitzer Concert Hall in which the symphony plays an excess of 70 performances to an excess of 150,000 customers and also reaches out some of which is outreach but much of it is in the facility to some 20,000 students, helping them fulfill the music criteria benchmarks mandated by the state and filling the gap by the current funding for K-12 education.

I'm here to tell you that the Oregon Symphony has never played better and I'm here to tell you that it's being recognized across the country. I happened to be in Carnegie Hall and I was a very proud Oregonian to listen to that symphony steal the show. I was also very proud that our latest cd, which was recognized by the New Yorker art critic as one of the top 10 cds produced in 2011, recently nominated for a Grammy award.

However, I'm also here to make a plea. And it isn't just that it's a tough environment. Arts are struggling across the country. We are not alone. We have appreciated that this organization, MERC, has helped us in the past which enabled us to balance the budget from 2009 for 3 years in a row which is absolutely critical for our funding today. And I'll get to that. And now we've built back up to our ticket fees which are $2 per ticket.

Finishing in the black is mandatory -- as tough as it is -- with less than 50% of our income coming from the gate, so to speak, and although this community is very generous it is not deep. So we have to watch every expense.

We have been fortunate -- unbudgeted bequests have helped us a lot in the past 3 years. Without Mr. T in our camp to create another bequest that we don't know about, we are struggling to balance this year. And we…If we do not, we will lose an excess of $ 1.5 million and will not be sustainable after 117 years.

I've been on the board for nearly 3 decades and it's because I realize its value to this community -- the symphony being a crown jewel. Our plea to you is to help us balance our budget by reducing the ticket fees once again from now to end of year – June 30. It means to us, if we can (inaudible) cut back that ticket fee, $76,000 in round numbers. It's only a help but our staff has already cut their pay. We've reduced the size of our staff. We've approached the Symphony Orchestra Association to reopen the negotiations. We've asked everyone on the board to increase their donation by 50% and we are

receiving good success. We've talked to every vendor and will continue to have conversations because we need absolutely to balance the budget.

I am not here to scare anybody. This is just a fact. It's sad for me. I've been through these ups and downs and I've been through this with Robyn. I don't like it and I don't think the Board likes coming here and asking for help but we're asking everybody – we're being equitable, if you will.

I can only say as a citizen, as an Oregonian, a fellow who went to Beaverton High School, who grew up loving every ounce of the state, proud of every piece of the city…this is a worthy thing to do and we need your help.

Thank you.

Chair Erickson: One second we have some questions.

Commissioner Dozono: Thank you very much for your presentation. It sounds like you and board are I appreciate that you are looking at all options and asking people equally. When you make a request like this – we've asked from folks like the Ballet for the ability to audit their books. Is that something the Symphony (would give is) as well? Would that be okay with you?

J. Clayton Hering: I don't see a problem with that. We do have audited statements, too.

Commissioner Dozono: Do your budget issues you are facing take into account any money that you would be getting from the city ballot measure that recently passed?

J. Clayton Hering: No. We don't think that will kick in until 2014. We've run out a five year forecast but it's very difficult to understand what RACC will be able to distribute.

Commissioner Dozono: It passes through RACC?

J. Clayton Hering: Yes it does.

Commissioner Dozono: Didn't the symphony give a significant amount of money towards that ballot measure campaign –I thought I read in Willamette Week that they symphony gave $25,000 to this ballot measure campaign?

J. Clayton Hering: We did not. That was a tough decision to make -- knowing we were heading into a very tough situation.

Commissioner Dozono: B you won't see the results of it for another year?

Commissioner Leary: Is the request for ticket reduction limited to the 2013 season or are we looking at something with a much longer shelf life?

J. Clayton Hering: We are asking for a reduction in the $2 ticket fee by $1 from here until the end of the season. What you haven't asked is, "How we get out of this?" It's a challenge, but we have to build our

endowment. And iy's going to take it some time. We're committed to do it. It's currently between $10 and $12milliion which is far too small for an organization that has a $14.5 million budget.

Chair Erickson: Anyone else? I thank you very much and obviously I'm sure this was not a fun conversation to have. But what we are going to do as a Commission is to take a look at some options and discuss it amongst ourselves, maybe with the Executive Committee and certainly Robyn and we'll come back to you after a certain amount of time. We will be in touch.

J. Clayton Hering: Thank you very much and thank you Robyn for all your professionalism and skill in management. We appreciate it.

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 13-01

For the purpose of selecting Hydrotemp Mechanical Inc. as the lowest responsive and responsible bidder in response to a Request For Bids, relating to the Portland Center for the Performing Arts (PCPA), Antoinette Hatfield Hall "Cooling Tower and Piping Replacement Project," and authorizing the General Manager to execute a contract with Hydrotemp Mechanical Inc.

WHEREAS, the existing cooling tower was installed as part of the original construction and has experienced many significant failures and is currently at the end of its useful life; and

WHEREAS, staff completed a formal solicitation of bids culminating with a bid opening on December 11, 2012; and

WHEREAS, Metropolitan Exposition Recreation Commission (MERC) staff have evaluated the bids and the lowest responsive and responsible Bidder was Hydrotemp Mechanical Inc., with a lowest base bid of $227,800; and

WHEREAS, Sections 3(B) and (D)(1) of the MERC Contracting and Purchasing Rules require MERC to select the lowest responsive and responsible bidder, approve the contract award, and approve the written contract by resolution; and

WHEREAS, the approved Capital Budget includes provisions for the AHH Cooling Tower and associated piping project estimated at $150,000 from the Renewal & Replacement Reserve; and

WHEREAS, MERC will request that the Metro Council amend the FY 2012-13 through FY 2016-17 Capital Improvement Plan to reflect a total budget of $255,000.00 for this project.

BE IT THEREFORE RESOLVED as follows:

1. MERC selects Hydrotemp Mechanical as the lowest responsive and responsible bidder in response to the Request for Bids for the PCPA, Antoinette Hatfield Hall Cooling Tower and Piping Replacement Project in the amount of $227,800;
2. MERC approves the award of a contract, in a form substantially similar to the attached Exhibit "A," to Hydrotemp Mechanical Inc.
3. MERC authorizes the General Manager to execute the contract on behalf of MERC.
4. MERC requests that Metro Council modify the FY 2012-13 through FY 2016-17 Capital Improvement Plan to reflect the increase to $255,000.00 for this project.

Passed by the Commission on January 9, 2013.

Chair

Secretary/Treasurer

Approved As to Form:
Alison Kean Campbell, Metro Attorney

By: _____
Nathan A. Schwartz Sykes
Senior Assistant Metro Attorney

MERC Staff Report

Agenda Item/Issue: For the purpose of selecting Hydrotemp Mechanical Inc. as the lowest responsive and responsible bidder in response to a Request For Bids, relating to the Portland Center for the Performing Arts (PCPA), Antoinette Hatfield Hall "Cooling Tower and Piping Replacement Project," and authorizing the General Manager to execute a contract with Hydrotemp Mechanical Inc.

Resolution No: 13-01 **Presented by:** Robyn Williams

Date: January 9, 2013

Background and Analysis: The existing cooling tower at the Antoinette Hatfield Hall, which was installed as part of the original building in 1984, has experienced many failures and has been repaired several times in the last few years and has now come to the end of its useful life expectancy. With the technology aging and parts no longer easy to come by, replacing the existing cooling tower is in the public's best interest and it is recommended that it be completed as soon as possible as replacement is only feasible during the upcoming winter months.

MERC Staff prepared and issued Bid Documents and a Request for Bids in accordance with MERC's Purchasing Policies for the replacement of the cooling tower. Eleven firms were solicited with eight being MWESB, two being FOTA and two being neither. MERC Staff conducted a site walk for potential bidders in which six mechanical contractors attended. One was FOTA and none were MWESB. The work consists of purchasing and replacing the current cooling tower and associated piping, controls upgrades for proper operation, pump replacement and chemical treatment. Five bids were received on December 11, 2012 and ranged from $227,800 to $319,670. None of the bids were submitted by a certified M/W/ESB contractor, one was submitted by a FOTA contractor. The lowest responsive and responsible bidder was Hydrotemp Mechanical, in the amount of Two-hundred twenty seven thousand, eight hundred & NO/100 dollars ($227,800).

Fiscal Impact: The current budget appropriates $150,000 for this project. An amendment will be presented at the February commission meeting to increase the project budget by $105,000. The additional funding requested is to provide for permits and engineering. The $105,000 will be funded from the renewal and replacement reserve. Adequate appropriations exist in the PCPA budget; however the budget amendment will provide the appropriate resource from the Renewal & Replacement Reserve.

Recommendation: Staff recommends that the Metropolitan Exposition-Recreation Commission, by Resolution No.13-01, approve the contract award and written contract (attached hereto) with Hydrotemp Mechanical , for the amount of Two-hundred twenty seven thousand , eight hundred & NO/100 dollars ($227,800) for the Cooling Tower & Piping Replacement Project at the Antoinette Hatfield Hall, and request that Metro Council modify the FY 2012-13 through FY 2016-17 Capital Improvement Plan to reflect the increase to $255,000.00 for this project.

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 13-02

For the purpose of accepting Carleton Hart Architecture's Proposal for the Oregon Convention Center (OCC) – Consulting Services – Original Building Roof Replacement Project, and authorizing the General Manager to enter into an agreement for Personal Services.

WHEREAS, the Metropolitan Exposition Recreation Commission (MERC) issued a request for proposals for a Qualification Based Selection for personal services related to the OCC Roof Replacement project; and

WHEREAS, on November 13, 2012, final proposals for the OCC – Consulting Services – Original Building Roof Replacement Project were due; and

WHEREAS, staff received five (5) responsive, responsible proposals before the final RFP submittal deadline; and

WHEREAS, an evaluation committee comprised of staff from OCC and Metro scored the proposals and ranked Carleton Hart Architecture highest; and

WHEREAS, no appeals or protests were received within the allotted appeal period; and

WHEREAS, MERC negotiated pricing with Carleton Hart Architecture as the highest qualified proposer and agreed on a pricing schedule for an amount not to exceed $176,119.00 on this contract; and.

WHEREAS, MERC must approve all contracts over $100,000 under Section 5(D) of MERC's Contracting and Purchasing Rules.

BE IT THEREFORE RESOLVED as follows:

1. MERC hereby finds that it is most advantageous to MERC to accept the proposal of Carleton Hart Architecture submitted for the Oregon Convention Center – Consulting Services – Original Roof Replacement Project for an amount not to exceed $176,116.00;
2. MERC approves the award of the personal services agreement, in a form substantially similar to the attached Exhibit "A,";
3. MERC authorizes the General Manager of Visitor Venues to execute the contract on its behalf.

Passed by the Commission on January 9, 2013.

Chair

Secretary/Treasurer

Approved As to Form:
Alison Kean Campbell, Metro Attorney

By: _____
Nathan A. Schwartz Sykes
Senior Assistant Metro Attorney

MERC Staff Report

Agenda Item/Issue: For the purpose of accepting Carleton Hart Architecture's Proposal for the Oregon Convention Center (OCC) – Consulting Services – Original Building Roof Replacement Project, and authorizing the General Manager to enter into an agreement for Personal Services.

Resolution No: 13-02 **Presented by:** Scott Cruickshank

Date: January 9, 2013

Background: The existing roof, installed in 1990, on the original portion of the Oregon Convention Center, has experienced many failures and has been repaired several times in the last few years, and has now come to the end of its useful life. With the vast amount of roofing products and the opportunities for sustainable alternatives, a consultant is necessary to investigate and make recommendations as to the best roofing solution for the OCC. Once recommendations have been made, Carleton Hart Architecture will provide complete drawings and specifications to MERC in such time that following the appropriate bidding process, the roof replacement project can begin in July of 2013. Once the construction portion of the project begins, Carleton Hart Architecture will provide construction administration services for the contractor's work product to ensure adherence to the plans and specifications.

MERC Staff prepared and issued a Request for Proposals in accordance with MERC's Purchasing Policies for the consulting services for the original roof replacement project. Eight firms were solicited with four being M/W/ESB, and none being FOTA. MERC Staff conducted a site walk for potential proposers in which six firms attended, one was FOTA and one was M/W/ESB. Five proposals were received on November 13, 2012. One of the proposals was submitted by a certified M/W/ESB, and one was submitted by a FOTA consultant. The proposals were scored by OCC and Metro staff, with the winning proposer being Carleton Hart Architecture, a Minority Owned Business. Upon notification of the award a cost proposal was discussed and subsequently agreed upon in the amount of One-hundred seventy six thousand, one hundred and nineteen &NO/100 dollars ($176,119). The contract will extend through 2014 to provide for all construction administration services during construction and warranty inspections.

Fiscal Impact: The current budget appropriates $100,000 for this project. The scope of work to be completed this fiscal year will be within the appropriated amount with the balance being funded through the project budget in FY 13-14. The current 5 year plan includes $2,000,000.00 in FY 13-14 for the Original Building Roof Replacement Project.

Recommendation: Staff recommends that the Metropolitan Exposition-Recreation Commission, by Resolution No. 13-02, approve the contract award and written contract (attached hereto) with Carleton Hart Architecture for the amount of One-hundred seventy six thousand, one hundred and nineteen &NO/100 dollars ($176,119) for the Consulting Services – Original Roof Replacement Project at the Oregon Convention Center.

Margie Helton

From: Penny Knouf [penny@travelportland.com] on behalf of Jeff Miller [jmiller@travelportland.com]
Sent: Friday, January 18, 2013 3:27 PM
To: Jeff Miller
Subject: Time Sensitive Invitation - RSVP by Friday, February 1, 2013
Attachments: Travel Portland Invitation.pdf

Dear Travel Portland Board Members, MERC Commissioners, Metro Councilors, City of Portland Commissioners, Multnomah County Commissioners and Travel Portland Multicultural Advisory Board,

Travel Portland's fourth Customer Advisory Board (CAB) meeting will take place February 13th -15th at the Hotel Lucia.

The CAB consists of 25 extremely experienced and knowledgeable meeting industry professionals from national, regional, and local associations and corporations. These individuals have agreed to participate as CAB members for a period of two years and to provide Travel Portland and the Portland hospitality community with candid feedback and recommendations regarding every element of the Portland hospitality product.

Part of the program consists of evening events when CAB members have the opportunity to meet and mingle with Portland's political and hospitality community leadership. The attached memo has additional information and is to invite you to attend several events as Travel Portland's guest. Please complete the attached form and return to Amy Grile at amy@travelportland.com.

Thank you.

Jeff

PENNY KNOUF
EXECUTIVE ASSISTANT TO THE PRESIDENT AND CEO

PENNY@TRAVELPORTLAND.COM
TRAVELPORTLAND.COM

TRAVEL PORTLAND
1000 S.W. BROADWAY, STE. 2300
PORTLAND, OR 97205

503.275.9763 DIRECT
800.962.3700 TOLL-FREE
503.275.9284 FAX

Please conserve paper; print this e-mail only if necessary.

MEMO

TO: Travel Portland Board Members
Travel Portland Multi-cultural Advisory Council Members
MERC Commissioners
Metro Councilors
Portland City Commissioners
Multnomah County Commissioners
Convention Sales Steering Committee

FROM: Michael Smith, CDMP
VP of Convention Sales
Travel Portland
Direct: 503-275-9770; Fax: 503-275-9297; mike@travelportland.com

DATE: January 18, 2013

RE: Invitation to attend Travel Portland Customer Advisory Board (CAB) events

Travel Portland's fourth Customer Advisory Board (CAB) meeting will take place February 13-15, 2013 at the Hotel Lucia.

The CAB consists of 25 extremely experienced and knowledgeable meeting industry professionals from national, regional, and local associations and corporations. These individuals have agreed to participate as CAB members for a period of two years and to provide Travel Portland and the Portland hospitality community with candid feedback and recommendations regarding every element of the Portland hospitality product.

Part of the program consists of evening events when CAB members have the opportunity to meet and mingle with Portland's political and hospitality community leadership.

This memo is to invite you to attend the following events, as Travel Portland's guest:

Date: Wednesday, February 13, 2013
Times and locations:

6:15 p.m.	**Reception and Dinner**	*Hotel deLuxe* **(729 SW 15th Avenue, Portland)**

Date: Thursday, February 14, 2013
Time and location:

6:00 p.m.	**Reception**	*Southeast Wine Collective*
7:00 p.m.	**Dinner**	**(2425 SE 35th Place, Portland)**

Please complete and return the following RSVP form **no later than Friday, February 1, 2013** so that we can ensure appropriate meal guarantees. Please feel free to call me at 503-275-9770 or email mike@travelportland.com should you have any questions.

Travel Portland

Customer Advisory Board

RSVP Form for February 2013 Events

Wednesday, February 13, 2013

6:15 p.m. Reception and dinner *Hotel deLuxe* _____ Yes _____ No

NAME/EMAIL: _____

ORGANIZATION _____

Thursday, February 14, 2013

6:00 p.m. Reception Southeast Wine Collective _____ Yes _____ No

7:00 p.m. Dinner Southeast Wine Collective _____ Yes _____ No

NAME/EMAIL: _____

ORGANIZATION: _____

Please complete and return this form to Amy Grile (amy@travelportland.com, fax 503-275-9297) **NO LATER THAN Friday, February 1, 2013**. Should you have questions, you may contact Amy at 503-275-9752.

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;**
XX **economic development activity; OR**
__ **negotiation;**

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

A Portland familiarization tour ("fam tour") 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 activity(ies) will take place in Portland on February 13-15, 2013.

Being approved by the MERC Commission, at its regular meeting on February 6, 2013, 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

February 6, 2013
12:30 pm

8.0 Travel Portland
Second Quarter Report

travel PORTLAND

For MERC

2nd Quarter Report
2012-13

Table of Contents

Executive Summary 3
Convention Sales 4
Convention Services 9
Marketing 10
Communications and Publications 12
Partner Services 13
Tourism 13
Visitor Information Services 13
Operations 14
Finance 16
Board of Directors 19
Appendix 1 and 2 20

Jeff Miller ..... President and CEO
Brian Doran ..... Executive Vice President of Finance and Administration
Brian McCartin ..... Executive Vice President of Convention and Tourism Sales
Greg Newland ..... Executive Vice President of Marketing and Public Relations

1000 SW Broadway
Suite 2300
Portland, OR 97205
503.275.9750

EXECUTIVE SUMMARY

ACCOMPLISHMENTS

- For the second quarter OCC realized over $3.2 million in revenue from Travel Portland booked business with a YTD community economic impact ROI of 28.7:1.
- Nine new and one repeat OCC conventions were booked for future years in the quarter worth $3.2 million in OCC revenue and community economic impact of over $19 million. Total Travel Portland bookings, including single hotel will result in $28.7 million of economic impact.
- Travel Portland booked two minority meetings in the quarter with an EEI of over $5.6 Million.
- Travel Portland generated twenty-nine articles with a value of over $678,000 for the OCC and visitor venues in the quarter.

TRENDS, SUCCESSES, OBSTACLES

- City/County Hotel/Motel Tax continues to increase. Fiscal year collections of the city's tax were up 10.9%.
- Lack of a headquarters hotel resulted in the loss of twelve groups worth 44,508 room nights and projected OCC revenue of over $3.5 Million. Cost of community economic impact is estimated at over $21 Million.

MERC CONTRACT GOALS

GOAL #	GOAL DESCRIPTION	YEAR TO DATE ACTUAL	ANNUAL GOAL
1	OCC revenue goal	$5,127,931	$6.0 Million
2	ROI on future OCC business	2.9	2.2
3	Lead conversion	32%	35%
4	Services performance survey	3.7	3.6
5	ROI on public relations/media	34.5	20.0
6	Community economic impact	28.7	25.0

CONVENTION SALES

OREGON CONVENTION CENTER BOOKING REVENUE FROM TRAVEL PORTLAND			
Convention Year	OCC Revenue	Annuals	Total Potential Future Business
FY 12/13	$ 10,961,734	$ -	$ 10,961,734
FY 13/14	$ 4,970,578	$ 836,351	$ 5,806,929
FY 14/15	$ 5,401,185	$ 1,463,578	$ 6,864,763
FY 15/16	$ 4,607,054	$ 995,417	$ 5,602,471
FY 16/17	$ 1,591,660	$ 1,463,578	$ 3,055,238
FY 17/18	$ 222,705	$ 995,417	$ 1,218,122
FY 18/19	$ -	$ 1,463,578	$ 1,463,578
FY 19/20	$ -	$ 995,417	$ 995,417
FY 20/21	$ 1,416,589	$ 1,463,578	$ 2,880,167
FY 21/22	$ 921,265	$ 995,417	$ 1,916,682
Total	$ 30,092,770	$ 10,672,331	$ 40,765,101

Oregon Convention Center Projected Future Revenue			
Total Travel Portland Contract:	Quarter	YTD	Goal
New OCC Bookings	9	21	
Repeat OCC Bookings	1	3	
Total OCC Bookings	10	24	
Room Nights from OCC Bookings	29,664	51,858	
Future OCC Revenue Booked during FY 2012/13	$ 3,224,006	$ 5,583,665	
ROI OCC Bookings	$ 3.2	$ 2.9	2.2 to 1
Community Economic Impact from OCC	$ 19,167,589	$ 34,971,822	
Total Room Nights Booked	62,447	115,735	
Total Community Economic Impact from	$ 28,693,947	$ 54,544,779	
ROI on Total Community Economic Impact	$ 28.1	$ 28.7	25.0 to 1
OCC Revenue Realized During FY 2012/13	$ 1,818,323	$ 5,127,931	$6.0 Million

CONVENTION SALES

OREGON CONVENTION CENTER FUTURE GROUP BOOKINGS					
AS OF JANUARY 1, 2013					
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17and beyond
Current	44	19	18	12	9
4 Year Average	Current	1 yr. out	2 yrs. out	3 yrs. out	Beyond 3 yrs.
(FY 09/10 – FY 12/13)	43	24	15	10	9

2ND QUARTER - ROOM NIGHTS FROM OREGON CONVENTION CENTER BOOKINGS					
Year	Groups	Total Room Nights	Attendees	OCC Revenue	Community Economic Impact
FY 12/13	1	3,577	15,000	$ 636,370	$ 2,089,093
FY 13/14	2	3,969	16,000	$ 157,943	$ 1,889,895
FY 14/15	3	7,254	18,500	$ 824,686	$ 3,892,994
FY 15/16	1	2,944	10,000	$ 120,000	$ 1,200,000
FY 16/17	2	5,983	7,500	$ 563,742	$ 4,480,681
FY 21/22	1	5,937	4,000	$ 921,265	$ 5,614,926
Total OCC Bookings	10	29,664	71,000	$ 3,224,006	$ 19,167,589

2ND QUARTER - ROOM NIGHTS FROM SINGLE HOTEL BOOKINGS				
Year	Groups	Total Room Nights	Room Tax Generated	Community Economic Impact
FY 12/13	32	8,657	$ 136,835	$ 2,515,259
FY 13/14	28	11,892	$ 187,968	$ 3,599,717
FY 14/15	6	7,351	$ 116,192	$ 2,222,299
FY 15/16	2	3,008	$ 47,545	$ 712,232
FY 16/17	1	1,875	$ 29,637	$ 476,851
Total Other Bookings	69	32,783	$ 518,176	$ 9,526,358

CONVENTION SALES

LEAD CONVERSION						
	Travel Portland Office		Chicago Office		Washington, DC Office	
	Quarter	YTD	Quarter	YTD	Quarter	YTD
OCC Leads	51	99	8	19	23	46
OCC Lost Leads due to OCC space & availability	1	8	0	2	1	5
OCC Lost Leads due to hotel package & availability	12	17	6	8	5	8
Lead Conversion Percentage	26%	32%	50%	11%	6%	24%
Annual Goal – 35%						

2ND QUARTER - OREGON CONVENTION CENTER LOST BUSINESS						
Year	Groups	Reason	Total Room Nights	Attendees	Lost OCC Revenue	Lost Community Economic Impact
Subtotal	8	Hotel - HQ	32,858	14,450	$ 2,608,552	$ 15,841,513
Subtotal	7	Geographic	11,961	8,200	$ 1,132,626	$ 6,296,242
Subtotal	4	Weather/Environmental Issues	8,900	6,000	$ 847,772	$ 4,488,148
Subtotal	3	Hotel - Under One Roof	8,350	3,750	$ 678,312	$ 3,803,809
Subtotal	3	Perceived Destination Draw	8,685	3,700	$ 783,198	$ 5,020,495
Subtotal	2	Board Decision	2,675	4,000	$ 336,694	$ 1,227,054
Subtotal	1	Client Postponed Search	6,000	2,500	$ 200,000	$ 1,000,000
Subtotal	1	Date Availability - OCC	2,670	2,500	$ 323,929	$ 1,648,106
Subtotal	1	Hotel - Meeting Space Issue	2,880	1,200	$ 212,918	$ 1,297,154
Subtotal	1	Hotel Package - Number Hotels Needed	3,300	1,500	$ 254,277	$ 1,517,546
Subtotal	1	Rates/Cost - Hotel	1,465	500	$ 69,988	$ 363,679
Subtotal	1	Weak Local Support	4,800	1,200	$ 270,432	$ 1,207,490
Total OCC Lost	33		94,544	49,500	$ 7,718,698	$ 43,711,236

CONVENTION SALES

2ND QUARTER - OREGON CONVENTION CENTER CANCELLATIONS							
Account Name	Groups	Reason	Total Room Nights	Attendees	Lost OCC Revenue	Lost Community Economic Impact	Arrival Date
Total OCC Cancellations	0	N/A	0	0	$ -	$ -	N/A

2ND QUARTER INDUSTRY TRADE SHOWS AND EVENTS	
Trade Show/Event	**Location**
IMEX	Las Vegas, NV
Rejuvenate Marketplace	Columbus, OH
TEAMS (OCC attendance)	Detroit, MI
MAXVantage	Dallas, TX
Nursing Organizations Alliance	Nashville, TN
Travel Portland Fall 2012 Familiarization Trip	Portland, OR
International Association of Hispanic Meeting Professionals	Portland, OR
Oregon Society of Association Management	Portland, OR
Association Forum of Chicagoland Holiday Showcase	Chicago, Il
3-City Alliance Marketing Summit	Portland, OR
3-City Wreath Event	Washington, D.C.
Collinson Publications Sports Customer Advisory Board	Portland, OR

CONVENTION SALES

MINORITY PROJECTED FUTURE REVENUE		
Total Travel Portland Contract:	2nd Quarter	YTD
New Minority Bookings	2	6
Total Minority Bookings	2	6
Room Nights from Minority Bookings	5,961	7,351
Minority Leads	6	8
Minority Lost Leads	5	8
Minority Lost Leads due to hotel package & availability	1	1

For the second quarter of FY 2012/13, minority bookings created an estimated economic impact to the greater metro Portland community of approximately $5.6 million. Booked groups included the following:

NISH	$	5,978
International Chapter of P.E.O. Sisterhood	$	5,614,926

CONVENTION SERVICES

ACTIVITY DESCRIPTION	2ND QUARTER	YTD
Distribution of promotional pieces	45,638	79,550
Meeting planning assistance - Services leads	471	539
Pre-convention attendance building - Site tours	15	18
Pre-convention attendance building -Promo trips, e-mails and materials	15	23
Housing-convention room nights	6,064	15,734

2ND QUARTER INDUSTRY SITE TOURS, TRADE SHOWS AND PROMO TRIPS					
Organization	Organization Location	Promotional Trip	Site Visit	OCC	Non-OCC
Handbell Musicians of America	Dayton, OH	x		x	
American Association of Aerosol Research	Mt. Laurel, NJ	x		x	
Americans for the Arts	Washington, DC		x		x
Int'l Conference on Ion Implantation	Chandler, AZ		x		x
Nat'l Association for Home Builders	Washington, DC		x		x
National Association of State Retirement Administrators (NASRA)	Arlington, VA		x		x
Natl Assn of State Retirement Administrators	Essex, CT		x		x
ABET	Baltimore, MD		x		x
National Association for Music Education	Reston, VA		x	x	
Association for Middle Level Education	Westerville, OH		x	x	
United Methodists	Nashville, TN		x	x	
National Tour Association	Plano, TX		x	x	
The American Association of Immunologists	Bethesda, MD		x	x	
LeakyCon	Staten Island, NY		x	x	
Handbell Musicians of America	Dayton, OH		x	x	
National Science Teachers Association	Arlington, VA		x	x	
Hearing Loss Association of America	Bethesda, MD		x	x	

MARKETING

	2nd Quarter	YTD
Travelportland.com (official website for organization)		
*User Sessions	330,875	854,952
PortlandSpoke.com (staff blog)		
*User Sessions	9,443	17,636
*Outbound Clicks	1,600	3,095
Twitter (twitter.com/travelportland)		
*Followers	1,339	33,592
*Replies/mentions	195	439
Facebook fan page (facebook.com/travelportland)		
*Fans/likes	12,952	86,875
*Total interactions (comments, likes and wall posts)	24,195	45,500
***Portland Travel Update* (consumer e-newsletter)**		
*Average Click-through rate	3.1%	5.4%
Portland Perks		
*Room nights (arrivals)	1,591	5,206

MARKETING

Online Initiatives
Selected, via RFS, Portland-based Switchyard Creative to collaborate on delivering a significantly improved travelportland.com web presence by the end of the fiscal year. Launch of the Travel Portland app on iPhone and Android platforms; reached more than 6,000 visitors in its first month.

Downtown Marketing Initiative
Completion of annual holiday campaign; development of pay-per-click campaign for downtown arts groups.

Convention Sales Marketing Support
Completed production and promotion of first 3 (out of 6) e-blasts highlighting EAT, SHOP and DRINK options in Portland; continued production and filming of remaining three promotional videos for eblasts; completed 6-month ***Food & Wine*** magazine promotion to lost business leads; preliminary planning and design for new, larger tradeshow booths; preliminary planning and research for promotional videos for SGMP event as well as other opportunities; updates to electronic bid book; implementation of re-targeting promotions for meetings.travelportland.com.

Consumer Marketing
Development and launch of landing page and geo-targeted ads for Expedia Winter Sale (mid-December through February, for travel through March). Development, with Wieden + Kennedy, of strategy and creative for off-season consumer promotion (mid-January through March), funded by Tourism Improvement District.

COMMUNICATIONS & PUBLIC RELATIONS

	2nd Quarter	YTD
MERC		
Value	$ 210,674	$ 272,482
Number of Placements	27	36
OCC		
Value	$ 147,673	$ 156,819
Number of Placements	8	12
Chicago/DC PR effort (counted separately from MERC)		
Value	$ 467,435	$ 1,416,929
Number of Placements	2	4
Total Value = MERC + Chicago/DC	$ 678,109	$ 1,689,411
Total Number of Placements = MERC + Chicago/DC	29	40
Total Value = City/Regional PR (Non-MERC/OCC/Chicago/DC)	$ 4,771,498	$ 10,015,888
Total Number of Placements = City/Regional PR (Non-MERC/OCC/Chicago/DC)	105	232
Travel Portland Grand Total - Print and Online Value	$ 5,449,608	$ 11,705,299
Travel Portland Grand Total - Print and Online Circulation	115,105,746	281,036,862
Travel Portland Grand Total - Number of Placements	134	272
	2nd Quarter	YTD
Total Value = MERC + Chicago/DC	$ 678,109	$ 1,689,411
Direct Costs	$ 29,642	$ 49,007
ROI	22.9	34.5
Annual Goal - 20.0 to 1		

- No multipliers are used to calculate media values.
- MERC Value - Counts all media placements that mention any MERC facility: Oregon Convention Center, Portland Center for the Performing Arts, Portland Metropolitan Exposition Center and Oregon Zoo
- OCC Value - Counts only those media placements that feature the Oregon Convention Center.

PARTNER SERVICES, TOURISM AND VISITOR INFORMATION SERVICES

PARTNER SERVICES		
	2nd Quarter	YTD
Revenue	$146,928	$233,030
Active Partners		
New	29	54
Cancellations	14	35
Current Active Partners	797	797

TOURISM SALES		
	2nd Quarter	YTD Total
Client Contacts		
Trade Shows, Events, Inquiries and Sales Calls	1,037	1,212
Leads/Referrals Sent	270	444
FAMS/Research & Site Visits		
# of Fams	15	38
# of Companies	72	102
# of Attendees	110	146
Published Itineraries	66	121
Number of Room Nights by County		
Clackamas County	1,279	2,892
Columbia County	0	0
Multnomah County	3,118	7,601
Washington County	474	1,393
Mt. Hood/Gorge	1	125

VISITOR INFORMATION SERVICES		
	2nd Quarter	YTD
Volunteer Hours	2,364	4,936
Retail Sales	$ 3,243	$ 8,948

OPERATIONS

AFFIRMATIVE ACTION GOALS 2012-13					
TRAVEL PORTLAND GOALS AND OBJECTIVES BY JOB CATERGORIES					
	December 31, 2012		2012-13		
Job Category	Number	Total	Actual Percentage	Goal Percentage	Objective
Females					
Officials/Managers	3	8	38%	50%	Improve
Professionals	12	15	80%	50%	Maintain
Sales	12	13	92%	50%	Maintain
Office/Clerical	16	16	100%	65%	Maintain
Total	43	52	83%	50%	Maintain
Minorities					
Officials/Managers	0	8	0%	10%	Improve
Professionals	0	15	0%	10%	Improve
Sales	1	13	8%	10%	Improve
Office/Clerical	2	16	13%	15%	Improve
Total	3	52	6%	15%	Improve
This report is based on current full-time staff.					

OPERATIONS

FIRST OPPORTUNITY TARGET AREA REPORT (FOTA)

HIRING

Travel Portland hired no new employees in the 2nd quarter. Recruiting and special considerations are always made for applicants in the MERC FOTA. Travel Portland currently has seven employees who reside in the MERC FOTA.

PURCHASING

Travel Portland expended a total of $113,222.58 with businesses in the FOTA area for six months ending December 31, 2012.

PARTNERSHIP

Travel Portland currently has 90 member businesses within FOTA and 54 minority and 105 women-owned businesses as its partners.

MBE/DBE/WBE PURCHASING PARTICIPATION REPORT FOR THE SIX MONTHS ENDING DECEMBER 31, 2012

For the last 24 years Travel Portland has implemented a voluntary MBE/DBE/WBE purchasing program that strives to ensure a high level of participation with certified minority-owned, disadvantaged or women-owned businesses when securing services and supplies that are purchased using lodging tax dollars.

For fiscal year 2012-13, Travel Portland expended $796,432 of lodging tax dollars in the purchasing of services and supplies where it had the discretion to purchase from outside vendors. Of this amount, $237,942 or 30% percent was spent with minority/women-owned or emerging small business enterprises.

Travel Portland
MERC Marketing Quarterly Report
For the Quarter ended December 31, 2012

MERC Quarterly Report	QTR ending 12/31/2012	YTD 12/31/2012	Annual Budget 2012-2013	Percent
Direct Sales	**487,616**	**1,049,732**	**1,830,748**	**57%**
Portland Office	**281,308**	**511,208**	**963,186**	**53%**
Direct Expense	59,986	89,923	102,125	
Professional Services	221,323	421,286	861,061	
Chicago Office	**31,550**	**65,950**	**113,247**	**58%**
Client Events	2,464	2,464	4,775	
Direct Expense	6,140	8,446	15,782	
Professional Services	22,945	55,040	92,690	
Washington DC Office	**57,616**	**123,399**	**256,491**	**48%**
Client Events	3,301	4,967	6,000	
Direct Expense	15,640	22,093	48,261	
Professional Services	38,675	96,340	202,230	
Convention Sales	**117,142**	**349,174**	**497,824**	**70%**
Advisory Council	90	42,237	35,655	
Bid/Sales Trips	1,938	2,294	19,075	
Fall & Spring Fam	-		56,275	
Local Promotion	1,894	5,227	10,600	
Research	9,800	19,400	31,700	
Road Show	2,450	8,090	44,274	
Site Visits	13,876	43,625	47,300	
Three City Alliance	33,086	40,340	50,591	
Tradeshows	54,007	187,963	202,354	
Marketing	**236,303**	**371,021**	**580,940**	**64%**
Convention Marketing & Direct Mail	**85,591**	**161,135**	**311,753**	
Professional Services	**29,580**	**52,593**	**166,087**	
Website, E-Marketing, Photography	**121,133**	**157,293**	**103,100**	
Public Relations	**95,739**	**121,503**	**217,235**	**56%**
Media Outreach Chicago/Washington DC	**5,583**	**7,238**	**25,000**	
Minority Public Relations	**66,097**	**72,497**	**127,600**	
Professional Services	**9,323**	**16,268**	**56,794**	
Writer/Editor Programs	**14,736**	**25,501**	**7,841**	
Convention Services	**137,850**	**235,906**	**280,145**	**84%**
Attendance Building Trips	**7,838**	**17,359**	**10,375**	
Convention Housing	**37,908**	**47,656**	**38,000**	
Direct Servicing	**18,691**	**31,009**		
Pre Convention Site Visits	**6,793**	**9,286**	**20,500**	
Professional Services	**66,620**	**130,595**	**211,270**	
Contract Administration	**61,998**	**120,056**	**229,759**	
Professional Services	**61,998**	**120,056**	**229,759**	
Grand Total	**1,019,505**	**1,898,218**	**3,138,827**	**60%**

PORTLAND OREGON VISITORS ASSOCIATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2012

ASSETS		
Current assets:		
Petty cash	$	175
Cash in bank		1,154,409
Accounts receivable		31,776
City receivable		237,956
MERC receivable		328,278
Dues receivable		98,092
VDF receivable		24,616
T.I.D.		43,637
Bad debt allowance		(10,000)
Prepaid expense		184,944
		2,093,882
Property and equipment:		
Furniture & equipment		87,929
Less: accum. depreciation		(50,969)
		36,960
Computers		219,243
Less: accum. depreciation		(41,128)
		178,115
Automobiles		66,667
Less: accum. depreciation		(66,667)
		-
Leasehold improvements		180,629
Less: accum. depreciation		(82,240)
		98,389
Other assets:		
Restricted cash and cash surrendered value of life insurance for deferred compensation		386,207
Employee advances		6,918
		393,125
TOTAL ASSETS	$	2,800,471
LIABILITIES & NET ASSETS		
Current liabilities:		
Accounts payable	$	449,896
Due to Foundation		2,150
Accrued payroll costs		109,123
Total current liabilities		561,168
Other liabilities:		
Note payable - VIC remodel		86,716
Rent payable		109,303
Deferred revenues		354,625
Deferred compensation		371,207
Total other liabilities		921,852
Net assets:		
Unrestricted net assets, 6/30/12		700,214
Designated for RCMP		62,803
Designated for DMI		87,607
Increase in net assets for year ended 6/30/13		466,827
Total net assets		1,317,452
TOTAL LIABILITIES & NET ASSETS	$	2,800,471

PORTLAND OREGON VISITORS ASSOCIATION
STATEMENT OF ACTIVITIES
For the month of December, 2012, and the six months ended December 31, 2012

	Current Month Actual	Current Month Budget	Difference	YTD Actual	YTD Budget	Last Year Actual	% Change Budget	% Change Last Year
REVENUES:								
CITY/CO ROOM TAX	37,432	18,056	19,376	2,125,830	2,023,630	1,916,552	5%	11%
MERC	274,188	268,156	6,032	1,691,702	1,563,815	1,565,478	8%	8%
TOT/CULTURAL	56,162	24,907	31,255	106,011	149,442	107,561	-29%	-1%
DUES	39,230	40,571	-1,341	237,207	245,092	226,613	-3%	5%
FEES	17,122	35,630	-18,509	212,757	209,676	190,396	1%	12%
CO-OP	19,812	32,128	-12,316	160,684	187,581	128,020	-14%	26%
RCMP	209,320	-88,037	297,357	556,232	258,875	215,888	115%	0%
DMI	0	172,300	-172,300	621,200	793,500	621,250	-22%	0%
T.I.D.	43,637	0	43,637	43,637	0	0	0%	0%
INTEREST INCOME	380	333	47	1,861	2,000	1,835	-7%	1%
TOTAL REVENUE	697,282	504,044	193,238	5,757,120	5,433,611	4,973,593	6%	9%
EXPENSES:								
CONVENTION SALES	245,679	248,202	-2,523	1,312,030	1,242,070	1,111,020	6%	18%
TOURISM SALES	97,829	84,954	12,876	502,819	439,723	463,582	14%	8%
MARKETING & COMMUNICATIONS	567,069	228,428	338,641	1,432,348	1,332,539	1,126,610	7%	27%
DMI	88,521	212,854	-124,333	464,919	589,252	512,582	-21%	0%
CONVENTION & VISITORS SERVICES	69,172	72,688	-3,516	449,029	438,813	403,803	2%	11%
PARTNERSHIP SERVICES	31,269	27,983	3,286	173,319	172,301	169,022	1%	3%
EVENTS	7,520	9,764	-2,244	60,663	98,764	72,098	-39%	-16%
PROGRAM SUPPORT	225,030	123,943	101,087	895,167	742,428	703,327	21%	27%
TOTAL EXPENSES	1,332,088	1,008,815	323,273	5,290,293	5,055,889	4,562,044	5%	16%
NET REVENUE OR (LOSS)	-634,805	-504,770	-130,035	466,828	377,723	411,549	24%	-8%

TRAVEL PORTLAND BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

Chair

Sabrina Rokovitz

Enterprise Rent A Car

Chair-elect

Chris Erickson

The Heathman Hotel

Vice-chair

Tim Ackman

Alaska Airlines/Horizon Air

Treasurer

E. Allen Shelby

Langley Investment Properties, Inc.

Past Chair

Steve Jung

Embassy Suites Portland Downtown

Convention Sales Steering Committee Chair

Lance Rohs, Portland Marriott Downtown Waterfront

Community Action Committee Chair

Deane Funk, PGE

Partner Services Committee Chair

Wanda Rosenbarger, Lloyd Center Mall

TID Committee Chair

Jim Dodson, Embassy Suites Portland Airport

BOARD OF DIRECTORS

Councilor Shirley Craddick

Metro

Steve Faulstick

Westmont Hospitality Group

Victoria Frey

Portland Institute for Contemporary Art

Kyle Hanson

Wells Fargo Bank

Fred J. Kleisner II

the Nines

Gregg LeBlanc

Marketing Karma LLC

David Machado

Nel Centro

Tracy Marks

Hilton Hotel Downtown Portland

Commissioner Diane McKeel

Multnomah County

Jatin Patel

Lodging Management NW, LLC

David Penilton

America's Hub World Travel

Commissioner Dan Saltzman

City of Portland

Kim Smith

Oregon Zoo

Jaime Soltero

Mayahuel Catering

Randall Thayer

Pollin Hotels

Jon Tullis

Timberline Lodge

Bashar Wali

Provenance Hotels

APPENDIX I – COMMUNICATIONS AND PUBLIC RELATIONS

		MERC	OCC	Chicago/DC
Publication/Air Date	**Outlet / Headline**	**Value**	**Value**	**Value**
September 1, 2012	**Rejuventae Magazine / RejuventageMeetings.com** "Oregon Convention Center Outdoor Plaza"	$ 1,000.00	$ 1,000.00	
October 1, 2012	**Northwest Travel Magazine / Northwest Travel Magazine Online** "Getting Around Portland on the 4T Trail"	$ 2,897.00		
October 1, 2012	**Alaska Airlines Magazine / Alaska Airlines Magazine Online** "Progressive Portland"	$ 46,650.00		
October 1, 2012	**Smart Meetings Magazine / SmartMeetings.com** "Smart Scene"	$ 462.00		
October 1, 2012	**Meetings Focus West Magazine** "Sustainable State"	$ 36,900.00	$ 36,900.00	
October 1, 2012	**Northwest Meetings & Events** "Portland, Oregon creates tourism improvement district"	$ 1,248.75		
October 7, 2012	**The Washington Post / WashingtonPost.com** "Hoppy hours in Portland" / "In Portland, Ore., craft brewing reaches new heights"			$ 467,435.36
October 23, 2012	**GoWorldTravel.com** "Easy Streets: Weekend in Portland"	$ 500.00		
October 30, 2012	**Out and About with Kids Blog (Australia)** "Love Oregon? You will!"	$ -		
October 31, 2012	**Business Events News (Australia)** "Oregon calls to business"	$ -	$ -	
November 1, 2012	**Executive Travel Magazine / Exectuive Travel Magazine Online** "America's Best Running Trails"	$ 2,100.00		
November 1, 2012	**Backpacker Essentials Magazine / BackpackersEssentials.com** "Capitals of Cool: Weird and Wonderful Portland"	$ -		
November 1, 2012	**Meetings Focus West Magazine / www.meetingsfocus.com** "Short Takes"	$ 2,853.75		
November 1, 2012	**Smart Meetings Magazine / SmartMeetings.com** "Where Business Meets Diversion" / "Meetings in Oregon are enriched by a wealth of active pursuits"	$ 4,715.00	$ 4,715.00	
November 1, 2012	**SmartMeetings.com** "Portland, Ore.: Cool Brews, Food, and Hotels"	$ 1,250.00		
November 9, 2012	**Portland Business Journal / Portland Business Journal Online** "Hales win jumbles HQ hotel"	$ 105,057.50	$ 105,057.50	
November 9, 2012	**Away.com** "Eat, Drink and be Merry: Top Holiday Getaways for a Foodie"	$ -		
December 1, 2012	**Junglecity.com** "Portland"	$ 5,040.00		
December 18, 2012	**EveryTrail.com** "Portland for Families"	$ -		
Total		**$ 210,674.00**	**$ 147,672.50**	**$ 467,435.36**

APPENDIX 2 – CONVENTION SERVICES

Overall impression of the following:

Answer Options	Excellent = 4	Good = 3	Average = 2	Poor = 1	Did not utilize	Rating Average	Response Count
Travel Portland sales staff	1	0	0	0	0	4.00	1
Travel Portland convention services staff	1	0	0	0	0	4.00	1
Travel Portland housing services (if utilized)	1	0	0	0	0	4.00	1
Travel Portland collateral/promotional materials	1	0	0	0	0	4.00	1
Quality and user-friendliness of the Travel	0	1	0	0	0	3.00	1
Is there anything Travel Portland could have done to enhance your experience?							0

Additional comments regarding your overall impression of Portland: It was a pleasure to work with the team from Travel Portland.

Average rating for the quarter ***3.8***

Average rating YTD ***3.7***

MERC Commission Meeting

February 6, 2013
12:30 pm

9.0 Action Agenda

MERC Staff Report

Agenda Item/Issue:
For the purpose of approving and transmitting to the Metro Council a budget amendment to the MERC Fund for current fiscal year 2012-13.

Resolution No: 13-03 **Presented By:** Cynthia Hill

Date: February 6, 2013

Background and Analysis:
The existing cooling tower at the Antoinette Hatfield Hall, which was installed as part of the original building in 1984, has experienced many failures and has been repaired several times in the last few years and has now come to the end of its useful life expectancy. The adopted budget appropriates $150,000 for this project. A resolution was approved at the January Commission Meeting to award a contract to the lowest responsive and responsible bidder, Hydrotemp Mechanical ($227,800) and requested additional funding to provide for permits and engineering ($27,200) for a revised project cost of $255,000. In addition, the resolution requested Metro Council modify the FY 2012-13 through FY 2016-17 Capital Improvement Plan to reflect the increase to $255,000 for this project.

Fiscal Impact:
Funding to increase this project will come from the PCPA Operating Contingency $105,000.
The Operating Contingency will be replenished from the Renewal & Replacement Reserve at year end.

Recommendation:
Staff recommends that the Metropolitan Exposition Recreation Commission adopt Resolution 13-03.

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 13-03

For the purpose of approving and transmitting to the Metro Council a budget amendment to the Metropolitan Exposition Recreation Commission (MERC) Fund for current fiscal year 2012-13.

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, Metro Code 6.01.050(d) further provides that once MERC's budget has been adopted by the Metro Council, any changes in the adopted appropriations must be ratified in advance by the Metro Council; and

WHEREAS, MERC previously approved and transmitted to the Metro Council the fiscal year 2012-13 budgets for the MERC Fund; and

WHEREAS, MERC staff request amendments to the current budget for the reasons described in the attached Staff Report.

BE IT THEREFORE RESOLVED, that the Metropolitan Exposition Recreation Commission approves a budget amendment to the MERC Fund as described in the attached Staff Report and Exhibit A for the fiscal year beginning July 1, 2012 and ending June 30, 2013 for inclusion as part of the total Metro budget for this period and requests that the Metro COO present this to the Metro Council for ratification.

Passed by the Commission on February 6, 2013.

_____
Chair

Approved as to Form:
Alison Kean Campbell, Metro Attorney

_____
Secretary/Treasurer

By: _____
Nathan A. Schwartz Sykes, Senior Attorney

MERC STAFF REPORT

Agenda Item/Issue: For the purpose of approving a collective bargaining agreement with the International Longshore and Warehouse Union

Resolution No. 13-04 **Presented by**: Mary Rowe, Metro Human Resources Director

Date: January 25, 2013

Background and Analysis: Bargaining began in March, 2012. Tentative agreement was reached on the contract on May 14, 2012; however, the Union failed to ratify the contract. We then approached the Union about returning to the bargaining table but were unsuccessful in our attempts to meet and discuss the reason the contract was not ratified. After filing an Unfair Labor Practice, both parties met in mediation on January 22, 2013 and reached a tentative agreement.

The provisions in this contract continue efforts to bargain consistent language across the six MERC contracts and the two Metro contracts. Standard language around management rights, protected leaves, and health insurance are part of this agreement.

RESOLUTION: The resolution states the MERC Commission approves ratification of the contract contingent upon ILWU Local 28's ratification. The major elements of the Agreement are as follows:

Term of Agreement: July 1, 2012-June 30, 2015.

Wages: There will be additional steps added to the contract which increase wages by 2.5% the first year, 2.5% the second year and 2% the third year of the contract.

Insurance: Metro will contribute 94% of the insurance premium costs per plan and employees will pay 6% the first two years of the contract. Beginning July 1, 2014 Metro will pay 92% and the employees will pay 8%.

PERS: Employees hired after ratification of the contract will pay the employee portion of PERS. This is consistent with what is being negotiated with other bargaining units and Metro's overall strategy to maintain long term fiscal stability of personnel costs.

Language Changes: Significant language changes between the previous and proposed Agreement appear below.

Sick Leave: Call in was increased to two (2) hours.

Personnel File: New language was negotiated that allows retention of disciplinary documents for more egregious misconduct for an additional two years.

Other Leaves: Obsolete leave language was replaced so that family and military leave follow applicable state/federal law.

SHORT RANGE FISCAL IMPACT: The costs of the collective bargaining agreement are within budgeted amounts for FY 12-13 and within what will be proposed for the FY 2013-14 budget.

LONG RANGE FISCAL IMPACT: The costs of the collective bargaining agreement will be reflected in future budget years and are viewed as reasonable and consistent with other employee compensation.

RECOMMENDATION: Staff recommends approval of Resolution 13-04 which states the MERC Commission approves ratification of the contract contingent upon ILWU ratifying the contract.

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 13-04

For the purpose of ratifying the collective bargaining agreement with the International Longshore and Warehouse Union, (ILWU) Local 28.

WHEREAS, the Metropolitan Exposition Recreation Commission's (MERC) designated representatives for labor relations and ILWU have negotiated in good faith; and

WHEREAS, the parties have reached an agreement for a three year collective bargaining agreement; and

WHEREAS, the Union membership is voting to ratify the collective bargaining agreement on February 6, 2013; and

WHEREAS, MERC believes that the collective bargaining agreement is fair, reasonable, and in the public interest.

BE IT THEREFORE RESOLVED, that the Metropolitan Exposition Recreation Commission:

1) Approves the collective bargaining agreement contingent upon ILWU Local 28 membership ratifying the contract attached to this Resolution as Exhibit A.

2) Authorizes and directs the General Manager of Visitor Venues, or her delegate, to execute the collective bargaining agreement and forward it to the Union for signature.

Adopted by the Commission on February 6, 2013.

_____
Chair

Approved as to Form:
Alison Kean Campbell, Metro Attorney

_____
Secretary/Treasurer

By:
_____
Nathan A. Schwartz Sykes, Senior Attorney