

**Minutes of the Board of Commissioners
Multnomah Building, Board Room 100
501 SE Hawthorne Blvd., Portland, Oregon
Tuesday, April 17, 2018**

BOARD BRIEFING

Chair Deborah Kafoury called the meeting to order at 10:07 a.m. with Vice-Chair Lori Stegmann and Commissioner Jessica Vega Pederson present. Commissioners Sharon Meieran arrived at 10:09 a.m. and Commissioner Loretta Smith arrived at 10:10 a.m.

Also attending were Jenny M. Madkour, County Attorney, and Marina Baker, Assistant Board Clerk.

Chair Kafoury: GOOD MORNING. THIS IS THE BOARD BRIEFING FOR A CAPITAL CONSTRUCTION AUDIT. CLOSE?

Steve March: THAT'S PERFECT.

B.1 Board Briefing on Capital Construction Audit. Presenters: Dr. Steve March, County Auditor with Fran Davison and Mark Ulanowicz - Staff Auditors

Chair Kafoury: EXCELLENT! WE HAVE STEVE MARCH, OUR AUDITOR.

Steve March: GOOD MORNING. IT'S MY PLEASURE TO BE HERE AGAIN. STEVE MARCH, COUNTY AUDITOR. WITH ME ARE MARK ULANOWICZ AND FRAN DAVISON. BEFORE WE START, I THOUGHT I WOULD RUN OFF THE CREDITS IN CASE YOU DON'T STAY THROUGH THE THRILLING ENDS. WE WANTED TO GIVE A SPECIAL THANKS TO THE FOLKS OUT IN THE FIELD THAT ACTUALLY ARE WORKING ON THIS PROJECT. THE PROJECT TEAMS AND AS WELL AS OUR CMGCS, J.D. DUH CHAMP, DOUG GARLAND ARE DOING A LOT OF WORK FOR US. BRETT TOUT AND STEVE CRUZEN, GREG HOCK EARTH. I ALSO WANT TO MAKE A COUPLE SPECIAL MENTIONS. HENRY ALMAN OF FACILITIES AND HE WENT OUT OF HIS WAY TO MAKE SURE THAT ONE OF OUR CONTRACTORS' INVOICING WAS IN A WAY THAT IT COULD BE MORE READILY REVIEWED AND AUDITED. SO THAT WAS GREAT. SCOTT CHURCHILL, KEN ELLIOTT FROM THE COUNTY ATTORNEY'S OFFICE, EVEN AFTER A LITTLE MISSTEP IN HOW I DESCRIBED ONE OF THE CONTRACTS HE LISTENED TO OUR CONCERNS AND REALLY DURING THE AMENDMENT PHASE TIGHTENED THINGS UP A GREAT DEAL. IT WAS A CONTRACT WE HAD INHERITED FROM THE ORIGINAL PROJECT. THEN KIM PORTER, PATRICK WILLIAMS AND BECKY BOYLE OF BCA, WHO LEARNED A LOT WITH US AS WE HAVE LEARNED ABOUT INVOICING. SO WITH THAT I'M GOING TO TURN IT OVER TO THE TEAM.

Fran Davison: I'LL START. I'M FRAN DAVISON. WE'RE HERE TODAY TO PRESENT TO YOU OUR CONSTRUCTION AUDITS FOR THE GLADYS MCCOY HEALTH

DEPARTMENT HEADQUARTERS AND MULTNOMAH COUNTY CENTRAL COURTHOUSE. WHEN WE FIRST STARTED THESE AUDITS, GROUNDBREAKING HAD NOT YET BEGUN AND WE WERE LOOKING AT RENDERINGS YOU SEE ON THE LEFT. THE PICTURES ON THE RIGHT ARE FROM JANUARY, JUST AFTER WE FINISHED OUR FIELD WORK. AS YOU CAN SEE, CONSTRUCTION ON THE PROJECT IS WELL UNDER WAY. THIS IS OUR SECOND ROUND OF AUDITS ON THESE PROJECTS. WE FOCUSED ON RISKS AT VARIOUS STAGES OF THE PROJECT. THE FIRST AUDIT LOOKED AT THE PLANNING PROCESS. THIS AUDIT WE FOCUSED ON COST CONTROLS. WE IDENTIFIED FIVE AREAS THAT CREATE RISKS FOR THESE PROJECTS. FIRST, THEY ARE BOTH HIGH DOLLAR PROJECTS. THE TOTAL COST IS ABOUT \$420 MILLION. THEY INVOLVE COMPLEX CONSTRUCTION. THESE ARE NOT STANDARD OFFICE BUILDINGS. THE COURTHOUSE IS GOING TO BE A LANDMARK BUILDING ON A FULL BLOCK THAT INCLUDES HISTORICAL BUILDING JEFFERSON STATION, WHICH ADDS TO THE DESIGN AND CONSTRUCTION DIFFICULTIES.

Fran Davison: IT WILL HAVE 17 FLOORS WITH COURTROOMS, OFFICE SPACE, A PUBLIC LOBBY WITH SECURE FACILITIES, AND A SECURE SALLY PORT AND HOLDING CELLS FOR INMATES. FOR THE HEALTH DEPARTMENT HEADQUARTERS NO TWO FLOORS ARE THE SAME. IT'S A COMPLEX BUILDING TUCKED INTO A HALF BLOCK IN OLD TOWN CHINATOWN NEXT DOOR TO BUD CLARK COMMONS, WHICH HOUSES A VULNERABLE POPULATION. THE NINE-STORY BUILDING INCLUDES OFFICE SPACE FOR HEALTH DEPARTMENT LEADERSHIP AND EMPLOYEES AND UNIQUE FEATURES SUCH AS A LAB WITH SPECIALIZED EQUIPMENT. CLINICS THAT SERVE VULNERABLE POPULATIONS, EXAM ROOMS, WAITING ROOMS, A LOADING DOCK AND A PHARMACY. BOTH PROJECTS ALSO HAVE EXTERNAL STAKEHOLDERS. FOR THE COURTHOUSE, THE COUNTY AND STATE ARE FUNDING PARTNERS. JUDGES WERE PARTNERS IN THE DESIGN PROJECT AND CONTINUE TO HAVE INPUT. THE HEALTH DEPARTMENT RECEIVED \$365 MILLION FROM POSS PER PORTLAND, SO THEY ARE A PARTNER IN THIS PROJECT ALSO. THE COUNTY HAD LIMITED EXPERIENCE WITH HIGH-RISE CONSTRUCTION. WE HAVE NOT DONE A HIGH-RISE CONSTRUCTION IN A LONG TIME, AND I COULD NOT FIND OUT EXACTLY HOW LONG IT HAS BEEN.

Mark Ulanowicz: JUSTICE CENTER.

Steve March: THAT WAS THE '80S.

Fran Davison: FINALLY WE HAVE TWO PROJECTS GOING AT THE SAME TIME. ONE WOULD BE RISKY. WITH TWO, IT IS A HUGE RISK. WHAT WE DID. AS A FRAMEWORK FOR THE AUDIT WE FOCUSED ON CONTRACT FEATURES AND BEST PRACTICE TOOLS USED TO KEEP CONSTRUCTION COSTS IN CHECK. WE FOCUSED ON COST CONTROLS. THE CONSTRUCTION CONTRACT IS THE FIRST LINE OF DEFENSE. IT DESCRIBES WHAT IS ALLOWED AND IT GUIDES DECISION MAKING. THE CONTRACT PROVIDES LEGAL MEANS FOR THE OTHER COST

CONTROLS AND CAN PROVIDE CLARITY ON IMPORTANT ISSUES LIKE ALLOWABLE COSTS AND USE OF CONTINGENCY FUNDS. WE'RE USING A CMGC, THAT'S CONSTRUCTION MANAGER GENERAL CONTRACTOR DELIVERY MODEL. THE CONTRACTOR IS HIRED TO BE PART OF THE DESIGN PHASE. BECAUSE THE CONTRACTOR CAN WEIGH IN DURING DESIGN, THIS MODEL PROVIDES GREATER BUDGET CERTAINTY. SUBCONTRACTORS ARE ALSO -- THE SUBCONTRACT WILLING PROCESS IS ALSO A CONSIDERATION IN COST CONTROL. THE SELECTION OF SUBCONTRACTORS IN MANY SITUATIONS CAN USE COMPETITION TO PUT DOWNWARD PRESSURE ON COSTS. PAY APPLICATIONS ARE ALSO A CONSIDERATION FACTOR. THESE ARE THE INVOICES FROM CONTRACTORS FOR WORK COMPLETED. THE PAY APPLICATIONS ARE INVOICES FROM THE CONTRACTORS, THE PAY APPLICATIONS, ARE RUNNING IN THE MILLIONS. WE'RE PAYING THREE TO \$4 MILLION MONTHLY TO EACH CONTRACTOR FOR THESE PROJECTS.

Fran Davison: PAY APPLICATION REVIEWS CAN HELP TO ENSURE THAT ONLY APPROPRIATE CHARGES ARE PAID. CHANGE ORDERS, ANOTHER KEY AREA FOR COST CONSIDERATION. CHANGE ORDERS ARE THE ONLY MEANS TO INCREASE THE GUARANTEED MAXIMUM PRICE. CHANGES ARE RARELY COMPETITIVELY BID. THE CHANGE ORDER REVIEW HELPS ENSURE THAT ONLY LEGITIMATE CHANGES IN SCOPE ARE ALLOWED AND THE COST OF A CHANGE IS APPROPRIATE. FINALLY, WE LOOKED AT THE INTERNAL PROCESSES. COUNTY STAFF PROVIDE GUIDANCE ON THE CONTRACT, PROCESS AMENDMENTS AND ENSURE TIMELY PAYMENTS TO CONTRACTORS. THE TIMELY PAYMENTS TO CONTRACTORS IS VITAL. MANY OF THE SUBCONTRACTORS ARE SMALL BUSINESSES AND WOULD HAVE GREAT DIFFICULTY IF WE DIDN'T MAKE TIMELY PAYMENTS. HAVING A SMOOTH RUNNING PAYMENT AND CONTRACTING FUNCTION ALSO HELPS MINIMIZE LIKELIHOOD THAT ADMINISTRATIVE DELAYS WOULD LEAD TO CLAIMS AGAINST THE COUNTY. THESE ARE THE AREAS THAT WE LOOKED AT TO KEEP CONSTRUCTION COSTS IN CHECK. MARK WILL TALK ABOUT OUR FINDINGS.

Mark Ulanowicz: GOOD MORNING, CHAIR, COMMISSIONERS. MARK ULANOWICZ FROM THE AUDITOR'S OFFICE. I'M GOING TO TALK ABOUT AREAS THAT FRAN MENTIONED SPECIFICALLY WHAT WE FOUND. STARTING WITH THE CONSTRUCTION CONTRACT WE FOUND BOTH CONTRACTS GENERALLY FOLLOWED BEST PRACTICES IN TERMS OF ALLOWING APPROPRIATE AMOUNT OF MONITORING OF CONSTRUCTION COSTS. SO WHAT WE'RE LOOKING FOR IN THIS STRONG AUDIT CLAUSES SO HAVING ACCESS TO ALL BOOKS AND RECORDS OF NOT ONLY THE CONTRACTOR BUT ALSO THE SUBCONTRACTORS. WE ALSO LOOK FOR THE RIGHT TO SPECIFY HOW PAY APPLICATIONS AND CHANGE ORDERS WOULD BE SUPPORTED. WE ALSO LOOKED FOR A WAY TO KEEP THE WORK GOING EVEN THOUGH THERE MAY BE DISPUTED CHARGES. THIS IS PARTICULARLY IMPORTANT TO KEEP THE PROJECT GOING BECAUSE MANY OF THESE FEATURES HAVE A TIME LIMIT ON THEM.

Mark Ulanowicz: IF WE DON'T HAVE THIS MECHANISM, IT'S HARD TO DO SUFFICIENT MONITORING IN THAT AMOUNT OF TIME. THERE ARE A FEW AREAS IN THE CONTRACTS THAT NEEDED TO BE MODIFIED TO MEET BEST PRACTICES AND THE TEAM WAS ABLE TO FIX THESE UP USING THE STANDARD AMENDMENT PROCESS. THESE INCLUDED CLARIFYING CONTROL AND USE OF CONTINGENCY FUNDS. REFINE TREATMENT OF RENTAL EQUIPMENT AND PURCHASE AND DISPOSITION OF TOOLS. PROJECT DELIVERY METHOD IS THE SECOND AREA. WE FOUND THE CMGC WITH GMP -- HORRIBLE ACRONYMS TO SAY QUICKLY. THE RIGHT CHOICE AND ALLOWED SAVINGS. THERE WAS A SCHEDULE BENEFIT OF HAVING THE CMGC INVOLVED BEFORE THE DESIGN WAS DEPLETED AND WE WERE ABLE TO MITIGATE ESCALATION OF CONSTRUCTION COSTS TO SOME EXTENT. BOTH GAINED FROM THE BENEFIT OF HAVING THE CMGC PARTICIPATE IN THE DESIGN. THIS WAS HAMPERED BY THE CONSTRUCTION ENVIRONMENT IN THE PORTLAND METRO AREA.

THERE WERE FEW BIDDERS AND SOME BIDS CAME IN WELL OVER ESTIMATES. WITH EACH PROJECT WE ENDED UP WITH SOME SUBCONTRACTS THAT DIDN'T QUITE MEET BEST PRACTICES, BEST PRACTICES SAY WHEN YOU DON'T HAVE A SINGLE BID FOR WORK THAT CONTRACT SHOULD BE AN ACTUAL COST BASED CONTRACT. WE WEREN'T ABLE TO DO THAT WITH FIRE PROTECTION FOR THE COURTHOUSE. WITH THE HEALTH DEPARTMENT HEADQUARTERS BEST PRACTICES SAY WHEN THE CMGC SELF-PERFORMS WORK THAT SHOULD BE DONE ON A COST BASIS BUT IN THIS CASE IT'S BEING DONE IN A LUMP SUM. WHILE BOTH PROJECTS HAVE THESE IMPORTANT SCOPES OF WORK THAT DON'T QUITE MEET BEST PRACTICES WITH THEIR SUBCONTRACTS WE CAN MITIGATE THIS WITH PROPER MONITORING AND AUDITING. PAY APPLICATIONS. THIS IS PROBABLY THE FIRST THING YOU THINK OF WHEN YOU THINK ABOUT COST CONTROL. IT'S PARTICULARLY IMPORTANT WITH THIS PARTICULAR PROJECT DELIVERY METHOD BECAUSE IT'S AN ACTUAL COST BASED CONTRACT. SO WE HAVE TO BE ABLE TO ASSURE OURSELVES THAT WE ARE ONLY PAYING FOR ACTUAL COSTS THAT ACTUALLY HAVE BEEN INCURRED AND THE ONLY WAY TO DO THAT IS TO CHECK FOR THE INDIVIDUAL INVOICES.

IN LOOKING AT PAY APPLICATIONS WE APPLIED A CONSTRUCTION AUDIT STANDARD TO OUR APPLICATION OF PAY APPLICATION REVIEW, WHICH IS STRICTER THAN COMMON PRACTICE BUT THAT'S WHAT WE WANTED TO GO. WE FOUND THAT THE REVIEW OF PAY APPLICATIONS WAS A BIT UNEVEN. BY UNEVEN I MEAN THAT THE CMGCs AND OWNERS' REPS USE DIFFERENT APPROACHES TO DO THIS. WITH THE COURTHOUSE, IT WAS CONSTRUCTION AND DCPM TENDED TO DO UNIT BY UNIT OR LINE BY LINE WHEREAS JAY DONE AND SOJ TENDED TO FOCUS ON THE SCHEDULE OF VALUES AND ESTIMATE OF PERCENT COMPLETION. I KNOW THE CMGC, JAY DUNN, IS PLANNING A MIDPOINT AUDIT OF ITS CONTRACTORS WHEREAS HOFFMAN IS DOING IT AS THEY GO BUT THERE WAS LITTLE SPECIFICITY IN THE CONTRACTS IN TERMS

OF EXPECTATIONS FOR THIS REVIEW, SO WE DID SOME TESTING OURSELVES. WE TESTED A NUMBER OF BEST PRACTICES AREAS SUCH AS ACCURACY OF THE MATH. I KNOW THAT SOUNDS FAIRLY SIMPLE BUT WHEN YOU'RE TALKING ABOUT A TWO, 300 PAGE INVOICE MAKING SURE THE NUMBERS ADD UP IS SOMETHING YOU REALLY OUGHT TO DO.

Mark Ulanowicz: WE LOOKED FOR CORRECT LABOR RATES, THAT ONLY ALLOWABLE COSTS WERE INCLUDED IN THE FEE. WE CHECKED TO SEE THERE WERE NO DUPLICATE INVOICES. WHEN YOU'RE DEALING WITH TWO OR 300 PAGE APPLICATIONS IT'S NOT HARD TO HAVE SOMETHING SLIP IN THAT WASN'T INTENDED. WE LOOKED AT TOOL PURCHASES, EQUIPMENT RENTALS AND PROPER WITH HOLDING PRACTICES. THIS IS AN INTERESTING THING THAT WITH THE COURTHOUSE RUNNING A CONTRACT CONTROL INSURANCE PROGRAM WHICH MEANS THAT THAT'S WHERE WORKERS' COMP COMES OUT OF SO YOU HAVE TO MAKE SURE WHEN YOU'RE PAYING BILLS FOR LABOR THAT WORKERS' COMP IS NOT INCLUDED IN THOSE LABOR BURDENS.

IN SOME CASES THAT CAN EVEN BE THE CASE FOR SOCIAL SECURITY IF THEY ARE WORKING MULTIPLE JOBS. WE FOUND RELATIVELY FEW PROBLEMS. THEY WERE PROMPTLY CORRECTED BUT THE VOLUME AND COMPLEXITY OF THIS DATA MEANT WE COULDN'T PERFORM A FULL BATTERY OF CONSTRUCTION AUDIT TESTS. WE ALSO LOOKED AT CHANGE ORDERS. PRETTY MUCH ONLY WITH THE HEALTH DEPARTMENT HEADQUARTERS BECAUSE THE COURTHOUSE WASN'T FAR ENOUGH ALONG. CHANGE ORDERS INVOLVE PRETTY MUCH THE WHOLE PROJECT TEAM, THE DESIGNERS, CMGC, OWNER'S REP AND OWNER'S PROJECT MANAGER. IT'S A BEST PRACTICE FOR CHANGE ORDERS TO BE ACTUAL COST BASED WHEN YOU HAVE AN ACTUAL COST CONTRACT. THE CHANGE ORDERS RE REVIEWED AT THE HEALTH DEPARTMENT HEADQUARTERS MET THAT STANDARD. BOTH PROJECTS DID SEEM TO HAVE REGULAR ROUSE PROCESS FOR REVIEW OF CHANGE ORDERS. WE ATTENDED MEETINGS, REVIEWED PROPOSED CHANGES, BUT WE GOT A MUCH BETTER LOOK AT THE CHANGES FOR THE HEALTH DEPARTMENT HEADQUARTERS.

WE DIDN'T EVALUATE THE COST ESTIMATES BECAUSE A LOT OF THE WORK HAS NOT BEEN DONE SO WE WEREN'T ABLE TO COMPARE ACTUAL COSTS INCURRED TO WHAT WAS ESTIMATED IN THE CHANGE ORDERS. THE COUNTY INTERNAL PROCESSES IS THE LAST THING WE LOOKED AT. THIS IS REALLY IMPORTANT BECAUSE WE HAVE TO BE ABLE TO KEEP PAY APPLICATIONS GOING, KEEP THE PROJECTS GOING, MAKE SURE THAT WE'RE PAYING ON TIME. THIS IS PARTICULARLY TRUE WITH SOME OF THE SMALLER FIRMS INVOLVED IN THESE PROJECTS AND THEY CAN'T WAIT AN EXTRA WEEK EVEN TO GET PAID. THE DEPARTMENT OF COUNTY ASSETS FINANCE STAFF AND CONSTRUCTION PROGRAM MANAGERS DEVELOPED A PROCESS ALLOWING THE PAY APPLICATIONS TO GET DONE WITHOUT HAVING TO WAIT FOR

RESOLUTIONS OF SPITED CHARGES. THAT WAS SOMETHING I TALKED ABOUT EARLIER.

Mark Ulanowicz: THE HIGH PROFILE OF THESE PROJECTS MEAN MORE PEOPLE ARE INVOLVED IN REVIEW OF CHANGES AND AMENDMENTS. THIS HAD AN EFFECT SLOWING THE PROCESS DOWN A LITTLE BIT BUT IN MOST CASES THE COUNTY WENT THROUGH THE PROCEEDS WITHOUT DELAYED PAYMENTS. SO FOR RECOMMENDATIONS, WE HAD TWO AREAS THAT WE THOUGHT WERE PARTICULARLY IMPORTANT. GIVEN THAT WE WERE NOT ABLE TO PROPERLY EVALUATE SOME OF THE WORK AT A STANDARD THAT WE WOULD HAVE PREFERRED, WE RECOMMEND THAT THE COUNTY ENGAGE A SPECIALIST CONSTRUCTION AUDITOR TO LOOK AT BOTH THESE PROJECTS SO WE CAN GET THE MOST VALUE OUT OF THE COUNTY'S ACTUAL COST-BASED CONTRACTS. FOR THE BENEFIT OF FUTURE COST BASED CONSTRUCTION Mark Ulanowicz: CONTRACTS I THINK THE COUNTY SHOULD BUILD THE EXPECTATION OF WHAT WILL BE INVOLVED IN THE REVIEW OF PAY APPLICATIONS INTO BOTH THE CONSTRUCTION CONTRACT AND THE OWNER'S REP CONTRACT. THAT'S IT. WE'RE HAPPY TO TAKE ANY QUESTIONS.

Chair Kafoury: QUESTIONS OR COMMENTS FROM COMMISSIONERS? COMMISSIONER STEGMANN.

Commissioner Stegmann: THANK YOU, CHAIR. THANK YOU FOR THE REPORT. SO I WAS CURIOUS ABOUT THE I HAVE A GENERAL CONTRACTOR AND WE SIGNED A CONTRACT WITH THEM. WHAT I'M GETTING AT, THE MINORITY CONTRACTORS THAT WE HAVE. WHAT ARE THE RAMIFICATIONS IF THEY ARE UNABLE TO MEET THOSE FROM KIND OF LIKE AN AUDITING STANDPOINT? DID YOU LOOK AT THAT? SOUNDS LIKE THERE WERE SOME ANOMALIES AND SOME IMPROVEMENTS. I'M WONDERING HOW WE MIGHT USE THIS AS A TOOL TO RECTIFY SOME OF THE DISCREPANCIES.

Steve March: WELL, YOU'RE TALKING ABOUT CERTIFIED FIRMS AND THE REQUIREMENT THAT THE CMGCS AGREED TO. WE DIDN'T LOOK AT THAT ASPECT OF THESE CONTRACTS OR THESE PROJECTS BECAUSE WE HAD A PRETTY ACTIVE LMCOC GOING. WE HAVE GREAT ACRONYMS IN THIS PROJECT. IT'S REALLY ACTIVE OVERSIGHT. THAT'S WHAT WE ARE GETTING TO THERE IS THAT THEY ARE ACTUALLY ABLE TO LEVY FINES FOR SUBCONTRACTORS THAT DON'T MEET THEIR OBLIGATIONS.

Commissioner Stegmann: NO, THAT'S GREAT. THAT WAS GOOD TO HAVE THAT CLARIFICATION THAT THEY HAVE CLOSER OVERSIGHT TO THAT. HAVE THE ABILITY TO LEVY FINES. WHAT ABOUT THE PAY APPLICATIONS? WHAT ARE YOUR SUGGESTIONS ABOUT HOW TO IMPROVE THAT PROCESS? IS IT JUST THROUGH A CONSTRUCTION AUDITOR AND DO WE HAVE AN IDEA LIKE WHAT THAT WOULD COST? ARE YOU SUGGESTING THAT WE HAVE THIS PERSON JUST SPECIFICALLY FOR THESE TWO PROJECTS OR -- I KNOW WE HAVE A LOT

OF REMODELS AND THINGS LIKE THAT. I JUST WANTED TO KNOW WHAT YOUR THOUGHTS WERE.

Steve March: YEAH. THE PAY APPLICATION, SOMETHING WE RAN INTO WAS KIND OF DIFFERING EXPECTATIONS WHAT WAS SUPPOSED TO BE IN THOSE PAY APPLICATIONS. WITH THE COURTHOUSE, HOFFMAN FROM THE FIRST PAY APPLICATION FORWARD PUT TOGETHER THE COMPLETE SCHEDULE OF VALUES AS WELL AS INVOICES FROM EVERY SUBCONTRACTOR FROM EVERY ALLOWABLE COST. THEY WERE EXPECTING THAT WE WERE GOING TO WANT TO CHECK ALL THOSE. WITH THE HEALTH DEPARTMENT HEADQUARTERS DUNN WAS MORE EXPECTING TO HAVE INDIVIDUAL PAY APPLICATIONS BE REVIEWED ON SCHEDULE OF VALUES. THAT'S THE LIST OR SCHEDULE OF VALUES IS BASICALLY THE GUARANTEED MAXIMUM PRICE BROKEN DOWN BY INDIVIDUAL SCOPES OF WORK. SO YOU CAN SAY, OKAY, IF THIS IS COMPLETED THAT'S 10% OF THE VALUE. WE'RE 10% DONE. THEY EXPECTED THAT THAT WAS HOW WE WERE GOING TO DO IT.

Fran Davison: WHICH IS A COMMON PRACTICE.

Steve March: IT IS. BUT WHEN YOU HAVE AN ACTUAL COST BASIS CONTRACT LIKE WE DO, THERE IS AN OPPORTUNITY TO PAY LESS THAN THE GUARANTEED OR MAXIMUM PRICE IF THE WORK DOESN'T COST THAT MUCH BUT THE ONLY WAY THAT WE CAN TAKE ADVANTAGE OF THAT IS IF WE KNOW WHAT HAS ACTUALLY BEEN SPENT. SO WE FEEL AND I THINK THAT THE PROJECT TEAM ON THE HEALTH DEPARTMENT HEADQUARTERS AGREES WE NEEDED TO SEE SUBSTANTIATION FOR THOSE ACTUAL COSTS. THERE'S A FEW AREAS LIKE I SAID WE DID QUITE A FEW CONSTRUCTION AUDIT BEST PRACTICE TESTS, BUT THERE'S SOME DEEPER DIVE IN THESE THINGS THAT WE REALLY DON'T HAVE THE EXPERTISE. WHATS ARE ON THE REIMBURSABLE CONTRACT. IN LOOKING THROUGH THE WAGE STATEMENTS, I TRIED TO PUT TOGETHER WHAT AN INDIVIDUAL EMPLOYEE'S PAY STUB WOULD LOOK LIKE.

HOW MANY HOURS WORKED ON EACH FOR LUMP SUM OR REIMBURSABLE SIDE, BUT THERE'S A RISK THAT COSTS WILL TEND TO BE SHIFTED OFF OF THE LUMP SUM CONTRACT AND ON TO THE REIMBURSABLE SIDE. TO KNOW HOW TO DO THAT YOU HAVE TO GET INTO THEIR JOB COST SYSTEM, SEE HOW THEY ARE ACTUALLY ALLOCATING THOSE COSTS. EVERYTHING FROM WHETHER OVER TIME IS ALLOCATED ONE SIDE OR THE OTHER, HOW DO YOU ALLOCATE THE LABOR BURDENS? IS IT A STRAIGHT PERCENTAGE OF THE BENEFITS? YOU WANT TO MAKE SURE THE ACTUAL COST BASED PIECE OR REIMBURSABLE PIECE ISN'T SUBSIDIZING THE LUMP SUM PIECE. THAT'S SOMETHING A CONSTRUCTION AUDITOR WOULD DO. FRAN LOOKED A LITTLE BIT AT COSTS. WE TALKED TO PORTLAND PUBLIC AND PSU --

Fran Davison: PORTLAND PUBLIC SCHOOLS AND PSU, THEY BOTH HAVE EXPERIENCE HIRING CONSTRUCTION AUDITORS, AND THEY ARE WILLING TO

PROVIDE US WITH THEIR RFPS AND SOME INFORMATION ABOUT THE CONTRACTORS THAT THEY HAVE WORKED WITH AND A LIST OF CONTRACTORS THEY GOT BIDS FROM.

Steve March: SEEMED LIKE PORTLAND PUBLIC HAD A \$45,000 --

Fran Davison: PSU 'S CONTRACT WAS \$65,000. IT DEPENDS WHERE THEY COME IN IN THE PROJECT, SO OUR CONTRACTS ARE ALREADY WELL UNDER WAY. IT WOULDN'T BE REVIEWING THE CONTRACT, THEY WOULD BE REVIEWING MORE THE PAY APPLICATIONS. THAT MIGHT MAKE A DIFFERENCE IN THE CHARGE.

Chair Kafoury: COMMISSIONER, WE'RE IN THE PROCESS OF LOOKING INTO THIS. YEAH.

Commissioner Stegmann: THANK YOU SO MUCH FOR THE INFORMATION.

Commissioner Vega Pederson: I DON'T HAVE ANY QUESTIONS. I DID HAVE ONE BUT I'M NOT SURE YOU'RE THE ONES TO ANSWER IT. THE CMGC, THAT'S ALSO THE DESIGN -- CONTRACTING THAT THEY ARE DOING FOR THE BURNSIDE BRIDGE. I WAS CURIOUS ABOUT THE BEST PRACTICE FOR THE INDUSTRY IN TERMS OF THESE LARGE SCALE PROJECTS.

Mark Ulanowicz: WE FIRST USED THE CMGC MODEL IN THE CONSTRUCTION OF THE JUVENILE JUSTICE CENTER AND HOFFMAN WAS THE CONTRACTOR ON THAT. IT'S BEEN USED BY THE STATE FOR MANY YEARS AND THE STATE ATTORNEY GENERAL'S OFFICE HAS DEVELOPED SOME PRETTY GOOD BOILERPLATE FOR THOSE KINDS OF CONTRACTS THAT PROTECTS THE ENTITY, US, AND SO IT'S A MODEL THAT HAS LONG BEEN USED BY DEPARTMENT OF TRANSPORTATION IN THE STATE OF OREGON, AND USED ON PROJECTS THAT INVOLVE ANY KIND OF FEDERAL OR STATE MONEY.

Steve March: IN TERMS OF BEST PRACTICES, AS KIND OF OUR RESEARCH INTO THIS AREA, IF A PROJECT IS PARTICULARLY COMPLICATED THAT WOULD BENEFIT FROM COLLABORATION BETWEEN THE -- THE CMGC AND THE DESIGN FIRM, THAT SUGGESTS THIS PARTICULAR METHOD. ALSO FOR PROJECTS WHERE BUDGET CERTAINTY IS MORE OF AN ISSUE WITH BOTH THESE PROJECTS WE DIDN'T GET A GUARANTEED MAXIMUM PRICE UNTIL VIRTUALLY ALL THE SUBCONTRACTING RISK WAS GONE. WE ARE PROBABLY CAN BE MORE CONFIDENT IN THAT NUMBER THAN IF WE HAD GONE OUT AS A SEALED BID OR LUMP SUM WHERE THE CONTRACT WOULD HAVE TO TRY TO GUESS AT THE RISK AND PRICE IT IN THAT WAY.

Commissioner Vega Pederson: THANK YOU.

Commissioner Smith: THANK YOU, MAD AIM CHAIR. THANK YOU FOR BRINGING THIS FORWARD. YOU BROUGHT UP AND ISSUE AROUND THE POSSIBILITY

BECAUSE THERE'S SO MANY PROJECTS AND WE HAVE THIS WIG MILK BOOM THAT THERE MAY BE AN ISSUE WITH SUBCONTRACTING. I WANTED TO TAKE THAT ONE STEP FURTHER. IS IT YOUR SENSE THERE WILL ALSO BE AN ISSUE WITH MWESBS? I KNOW WE SET ASIDE THE 1% TO DO TECHNICAL ASSISTANCE. ARE THERE OTHER THINGS? I'M REALLY CONCERNED THAT AS A RESULT OF ALL THE PROJECTS THAT MEETING THE MWESB ASPIRATIONAL GOALS MAY BE A PROBLEM.

Fran Davison: WELL, WE HAVE ATTENDED SOME OF THE MEETINGS. AS OF JANUARY, THE CONTRACTORS ARE BOTH ON TRACK TO MEET THEIR GOALS.

Steve March: YEAH, THERE IS JUST A SHORTAGE OF LABOR EVIDENTLY, PARTICULARLY PLUMBERS. BUT EVEN THOUGH IT'S TIGHT THEY HAVE BEEN ABLE TO GET THE LEVEL OF PARTICIPATION AND CERTIFIED FIRMS THAT Steve March: WERE PART OF THE PROJECT LABOR AGREEMENT AND THE CONTRACTS. SO FAR. WE DIDN'T LOOK AT IT MORE CLOSELY ALSO BECAUSE WE'RE -- WE MAY BE HALFWAY THROUGH THE HEALTH DEPARTMENT HEADQUARTERS, BUT IN TERMS OF THE NUMBER OF LABORERS ON THE PROJECTS WE'RE STILL NOT TO THE POINT WHERE -- I DON'T KNOW. MAYBE THERE MAY BE 100 PEOPLE WORKING ON THE COURTHOUSE NOW BUT WHEN THEY START WORKING ON THE INSIDE AS WELL AS THE OUTSIDE THERE MAY BE THREE TO 400 PEOPLE ON THAT SITE. THAT'S WHEN WE WILL START TO SEE WHERE THEY REALLY ARE IN TERMS OF THEIR GOALS.

Commissioner Smith: THE SECOND QUESTION IS ABOUT THE CHANGE ORDERS. THIS IS THE THING THAT GIVES ME THE MOST PAUSE. BECAUSE I KNOW THAT'S THE PLACE WHERE WE CAN ACTUALLY GO OVER OUR BUDGET IN A WAY THAT CAN'T BE FORESEEN OR WE CAN'T PREDICT WHAT'S GOING TO HAPPEN. IS THERE A WAY THROUGH THE GMP THAT WE CAN LIMIT THE DOLLAR AMOUNT OF CHANGE ORDERS UNLESS IT'S SOMETHING THAT HAS SOMETHING TO DO WITH THE INFRASTRUCTURE THAT WE HAVE TO DO? IS THERE A WAY TO DO THAT?

Steve March: THAT'S AN INTERESTING POINT. CHANGE ORDERS ARE COMING IN KIND OF A VARIETY OF FORMS. IN SOME CASES THEY ARE IN RESPONSE TO PERMIT REQUESTS, SO WHEN THE INSPECTORS COME IN THEY WILL SAY, THE DESIGN IS THIS WAY BUT WE NEED IT TO BE A DIFFERENT WAY. THAT WOULD BE A CHANGE IN SCOPE. THAT WOULD RESULT IN A CHANGE ORDER. THERE COULD ALSO BE CHANGE ORDERS IN TERMS OF CHANGE IN PROGRAMMING. THERE'S BEEN A FEW WITH THE HEALTH DEPARTMENT HEADQUARTERS WHERE KIND OF SECOND THOUGHTS ABOUT THE LAYOUT OF A PARTICULAR LAB OR LAYOUT OF SOME OFFICE AND THE DEPARTMENT WANTS THEM CHANGED. SO THAT WOULD BE A CHANGE ORDER. THOSE WOULD BE CHANGES IN SCOPE AND WOULD ADD TO THE GNP.

Commissioner Smith: WOULD THEY HAVE TO COME BACK TO THE BOARD IF WE ADD SOMETHING DOES THAT HAVE TO HAVE BOARD VOTE OR CAN THAT BE DONE FROM THE CHAIR'S OFFICE?

Steve March: I'M NOT SURE --

Fran Davison: THEY DO HAVE CONTINGENCY BUDGETS. SO FAR ALL OF THE CHANGES AND MOST OF THE CHANGES HAVE BEEN WITH THE HEALTH DEPARTMENT HEADQUARTERS BUILDING BECAUSE THEY ARE MUCH FURTHER ALONG, BUT THE CHANGES HAVE ALL BEEN WITHIN THE CONTINGENCY BUDGETS ESTABLISHED, AND THOSE ARE WITHIN OVER ALL PROJECT BUDGET.

Commissioner Smith: SO I GET THAT PIECE. THE QUESTION THAT I'M ASKING IS BECAUSE THE BOARD HAS TO VOTE ON GMP, WHICH IS THE LEGAL DOCUMENT THAT DETERMINES WHAT WE CAN AND CANNOT DO, IF THAT GMP IS CHANGED IN A BIG WAY DOES IT HAVE TO COME BACK BEFORE THE BOARD TO BE VOTED ON OR CAN THAT BE DONE WITH JUST THE CHAIR'S SIGNATURES?

Steve March: I DON'T KNOW THE ANSWER TO THAT QUESTION.

Mark Ulanowicz: THAT'S PROBABLY A LEGAL QUESTION. THERE IS LIKE WE SAID YOU HAVE THE GMP WITH CONTINGENCIES.

Commissioner Smith: I KNOW WE HAVE CONTINGENCY FORMS.

Mark Ulanowicz: IF IT GOES SIGNIFICANTLY ABOVE THAT WHERE YOU HAD TO ALLOCATE MORE FUNDS IT WOULD TAKE A BOARD ACTION.

Commissioner Smith: THE LAST THING IN REGARDS TO CHANGE ORDERS, WE HAVE EXPERIENCED SOME CHALLENGES WITH CHANGE ORDERS, AND CHANGE ORDERS BEING DONE, DIRECTION BEING GIVEN BY SUBCONTRACTORS IN GENERAL CONTRACTORS. AFTER WORK HAS BEEN DONE, THEN IT'S SAID THAT WE DIDN'T TELL YOU TO DO THAT. SO I HAVE NO UNDERSTANDING OF HOW THIS HAS HAPPENED. THERE'S A COUPLE OF INSTANCES WE'RE GOING THROUGH RIGHT NOW WITH THE SELLWOOD BRIDGE WHERE SUBCONTRACTORS ARE STILL TRYING TO GET MONEY FOR CHANGE ORDERS THAT WERE MADE AND THEY WERE NOT COMPLETE. SO I'M JUST TRYING TO FIGURE OUT DOES THAT STUFF HAVE TO COME BEFORE US OR DOES IT -- IS IT OKAY JUST TO GET THE WORD FROM THE -- LIKE A SUB GIVING A SUB AN ORDER AND THEN THERE WAS AN ISSUE OF THE GENERAL GIVING AN ORDER FOR A CHANGE ORDER. I'M JUST TRYING TO FIGURE OUT HOW THIS THING GOT ALL TANGLED UP.

Mark Ulanowicz: A LOT OF THOSE THINGS IT'S VERY COMMON IN THE CONSTRUCTION INDUSTRY THAT A LOT OF THOSE ARE SETTLED IN COURT. TO FIGURE OUT WHO IS LIABLE FOR THE CHANGE.

Commissioner Smith: RIGHT.

Mark Ulanowicz: IF IT WAS A CHANGE. BECAUSE IF YOU LOOK AT A SET OF DRAWINGS AND YOU INTERPRET THEM THE WRONG WAY, IT WASN'T A CHANGE, YOU DID IT WRONG. THOSE ARE LEGAL QUESTIONS THAT COME UP, AND THEY ARE DECIDED BY A JUDGE.

Commissioner Smith: YEAH. I'M TRYING TO FIGURE OUT WHO DECIDES THAT BEFORE IT GETS TO THAT LEGAL ISSUE. WHAT OUR ROLE AS OWNER OF THE PROJECT, WHAT IS OUR RESPONSIBILITY FOR THE SUBS WHO BELIEVE -- AT THE END OF THE DAY, PEOPLE ARE NOT GOING TO GO BACK TO THE CONTRACTOR. THEY ARE GOING TO SAY MULTNOMAH COUNTY DIDN'T PAY US THEIR MONEY.

Mark Ulanowicz: THAT'S WHY WE WERE SO CONCERNED ABOUT THE CONTRACTS.

Commissioner Smith: YEP.

Mark Ulanowicz: MADE SURE THAT THE CONTRACTS WERE VERY STRONGLY WRITTEN. THE COURTHOUSE WAS THE EASIER ONE IN THAT WE DID IT FROM THE START. WE ISSUED THE CONTRACT. THE HEALTH DEPARTMENT. WE INHERITED A CONTRACT IN PROCESS. IT WAS AN AIA CONTRACT INSTEAD OF A TYPICAL STATE CMGC CONTRACT BUT THE COUNTY ATTORNEY'S OFFICE WORKED HARD IN THE CHANGE PROCESS TO ADD THE APPROPRIATE CLAUSES FOR AUDITING AND FOLLOWING UP AND PROTECTING THE COUNTY. SO TO THE EXTENT YOU CAN, THAT'S YOUR SHIELD. ALMOST ANY BIG CONSTRUCTION PROJECT THERE WILL BE A COURT CASE.

Commissioner Smith: THAT'S WHAT I'M ALWAYS CONCERNED ABOUT IS THAT THE LIABILITY THAT COMES BACK ON US BECAUSE AS YOU KNOW THE MORRISON BRIDGE WE HAD ALL THAT REDOING AND DOING AND PAYING FOR THINGS TWO AND THREE TIMES. IT JUST TOOK A DRAIN ON OUR RESOURCES THAT WE COULD HAVE BEEN SPENDING SOMEPLACE ELSE BECAUSE THEY DIDN'T DO IT RIGHT.

Mark Ulanowicz: RIGHT.

Steve March: BUT WE CAN GET MORE INFORMATION.

Commissioner Smith: CAN YOU DO THAT FOR ME?

Steve March: YES. WHAT THE THRESHOLD IS BEFORE IT COMES BACK TO THE BOARD.

Commissioner Smith: THAT WOULD BE GREAT. THANK YOU.

Chair Kafoury: ANYONE ELSE HAVE QUESTIONS OR COMMENTS FOR FOLKS? THANK YOU VERY MUCH FOR COMING TODAY.

B.2 Board Briefing by the Oregon Historical Society Levy Oversight Committee.

Chair Kafoury: NOW WE HAVE THE OREGON HISTORICAL SOCIETY LEVY OVERSIGHT COMMITTEE. WE ALL GIVE A WELCOME BACK TO COMMISSIONER MCKEEL. [LAUGHTER] WHO FOR MANY YEARS SAT RIGHT OVER THERE IN THAT SEAT TO MY LEFT. IS THIS YOUR FIRST TIME TESTIFYING BEFORE THE BOARD SINCE YOU LEFT?

Diane McKeel: I THINK SO. [LAUGHTER]

Mary Margaret Wheeler Webber: GOOD MORNING, CHAIR KAFOURY, COMMISSIONERS. I'M MARY MARGARET WHEELER WEBER. I'M A STAFF ASSISTANT IN CHAIR KAFOURY'S OFFICE. I PROVIDE SUPPORT TO THE OHS OVERSIGHT COMMITTEE. I PREVIOUSLY SERVED AS A MEMBER OF THE OHS LOC AS A COMMUNITY VOLUNTEER 2011 TO 2016. I'M JOINED BY THE CO-CHAIRS OF THE LEVY OVERSIGHT COMMITTEE, COMMISSIONER DIANE MCKEEL, JUNE SCHUMAN AND KERRY TYMCHUK, DIRECTOR OF THE OREGON HISTORICAL SOCIETY. IT'S MY HONOR TO BRIEFLY INTRODUCE. I'LL TURN IT OVER TO MR. KIM CHUCK FOR THE SUBSTANCE OF THE REPORT. IN 2010 MULTNOMAH COUNTY VOTERS APPROVED THE FIRST LEVY IN THE WAKE OF LARGE CUTS TO OHS. IT WAS RENEWED IN MAY OF 2016. IT SPECIFIES THE CHAIR WILL APPOINT AN INDEPENDENT OVERSIGHT COMMITTEE REPRESENTATIVE OF DIVERSE COMMUNITIES TO ENSURE ACCOUNTABILITY TO THE PEOPLE OF MULTNOMAH COUNTY FOR THE EXPENDITURE OF LEVY FUNDS AS PROMISED IN THE MEASURE.

MULTNOMAH COUNTY RESOLUTION 2011-48 THEN CREATED THE LEVY OVERSIGHT COMMITTEE, SPECIFIED ITS ROLE AND OBLIGATIONS, AND APPOINTED THE FIRST 15 MEMBERS. FURTHER RESPONSIBILITIES ARE LAID OUT IN THE FINANCIAL AGREEMENT BETWEEN OHS AND MULTNOMAH COUNTY INCLUDING THAT THE LEVY OVERSIGHT COMMITTEE WILL MEET TWICE A YEAR AND REPORT TO THE BOARD OF COMMISSIONERS ANNUALLY. THE FIRST LEVY OVERSIGHT COMMITTEE TOOK THE LANGUAGE AND PROMISES OF THE BALLOT TO REPORTING FORMS AND THEY WORKED IN CONSULTATION WITH THE COUNTY AUDITOR STEVE MARCH TO DO SO. THAT WORK RESULTED IN THE LOC ANNUAL REPORT THAT THE CO-CHAIRS WILL SPEAK TO TODAY. THE FIRST LEVY OVERSIGHT COMMITTEE MET FROM 2011 TO 2016. IN 2016 THE LEVY WAS RENEWED AND THERE WAS A HIATUS WHILE NEW MEMBERS WERE

RECRUITED. IN 2017 YOU APPOINTED NEW COMMITTEE MEMBERS AND CO-CHAIRS. THE COMMITTEE HAS MET TWICE GETTING RAPIDLY UNTIL TO DATE WITH THE LANGUAGE AND OBLIGATIONS AND HEARING FROM OHS AND EAST COUNTY HISTORICAL SOCIETIES ABOUT THEIR WORK.

Mary Margaret Wheeler Webber: IT WAS IMPORTANT FOR THE CO-CHAIRS TO COME TO YOU RELATIVELY QUICKLY BECAUSE OF THE PROMISE OF ANNUAL REPORTS TO THE BOARD OF COMMISSIONERS BY WAY OF CONTRACT THE FIRST LEVY OVERSIGHT COMMITTEE HAD FIVE MEETINGS BEFORE PRESENTING TO THE BOARD OF COMMISSIONERS. BUT WE'RE EXTREMELY FORTUNATE TO HAVE CO-CHAIRS VERY FAMILIAR WITH THE LEVY AND ITS CONTEXT FROM DIFFERENT PERSPECTIVE. I WILL LET THEM TELL YOU ABOUT THAT NOW.

Chair Kafoury: GOOD MORNING.

Diane McKeel: GOOD MORNING. I'M CHAIR KAFOURY AND COMMISSIONERS, I'M DIANE MCKNEEL, CO-CHAIRMAN OF THE OREGON HISTORICAL LEVY OVERSIGHT COMMITTEE. IT'S A PLEASURE TO SEE YOU THIS MORNING. I WAS SITTING ON YOUR SIDE OF THE DIAL WHEN VOTERS FIRST PASSED THE LEVY IN 2010. AS A MULTNOMAH COUNTY COMMISSIONER REPRESENTING DISTRICT 4 I HELPED DEVELOP THE LEVY LANGUAGE RESPONSIVE TO THE NEEDS OF EAST MULTNOMAH COUNTY COMMUNITIES.

Diane McKeel: IN THE EIGHT YEARS SINCE THE FIRST LEVY PASSED IT'S BEEN WONDERFUL TO SEE THE IMPACT OF THE LEVY FUNDS ON THE EAST COUNTY HISTORICAL SOCIETIES. YOU'LL LEARN IN DETAIL WHAT THEY HAVE ACCOMPLISHED WITH THESE FUNDS IN THEIR ANNUAL REPORTS WHICH WERE SUBMITTED TO THE LEVY OVERSIGHT COMMITTEE AND ARE SHARED WITH YOU TODAY. ALTHOUGH THE FUNDS GIVEN TO THE EAST COUNTY HISTORICAL SOCIETIES ARE NOT LARGE COMPARED TO THE OPERATING BUDGETS OF SOME AGENCIES, OR EVEN THE OVER ALL LEVY, THE STABILITY THEY PROVIDE HAS A HUGE IMPACT IN BUILDING CAPACITY. SO JUST FOR CONTEXT THEY EACH RECEIVE \$40,000 A YEAR. WHEN YOU LOOK AT THEIR REPORTS THAT HAVE BEEN PROVIDED FOR YOU YOU'RE GOING TO SEE SOME AMAZING THINGS. THEY ARE ABLE TO DO WITH THIS AMOUNT OF FUNDING. I WAS THRILLED TO RECENTLY ATTEND THE GROUNDBREAKING FOR THE CROWN POINT HISTORICAL SOCIETY MUSEUM. AT THE HISTORIC SITE OF THE CHAMBERLIN AUTO CAMP IN THE CENTER OF CORBETT.

COMMISSIONER STEGMANN WAS THERE TO GIVE SOME WONDERFUL REMARKS ON THE RICH HISTORY OF THAT AREA. THIS PROJECT COULD NOT HAVE HAPPENED WITHOUT THE STRENGTH PROVIDED BY THE CONTINUITY OF THE LEVY FUNDS. ANOTHER WAY THE LEVY HELPS IS BY PROVIDING MATCHING FUNDS FOR OTHER GRANTS. THE TROUTDALE HISTORICAL SOCIETY DEMONSTRATED THIS IN THEIR FUND-RAISING WORK TO REFURBISH

THE LARGEST ARTIFACTS, A UNION PACIFIC CABOOSE. YOU HAVEN'T SEEN IT, IT'S QUITE AN ICON IN DOWNTOWN TROUTDALE.

Diane McKeel: THIS PROJECT ALSO RECEIVED FUNDING FROM METRO AND TROUTDALE'S COMMUNITY ENHANCEMENT PROJECTS. THE LEVY FUNDS ALSO HELPED THEM COMMEMORATE THE CENTENNIAL OF THE COLUMBIA RIVER HIGHWAY IN KING OF THE ROADS, THEIR MOST AMBITIOUS EXHIBIT TO DATE, ONE CELEBRATING A CULTURAL RESOURCE OF GREAT SIGNIFICANCE TO OUR REGION. THE EAST COUNTY HISTORICAL ORGANIZATION USED FUNDS FOR STRATEGIC PLANNING AND REBRANDING EFFORT THAT TOOK THEM FROM BEING THE FAIRVIEW ROCKWOOD WILKES HISTORICAL SOCIETY TO ECHO, A NAME BOTH WONDERFULLY EVOCATIVE OF THEIR WORK AND MUCH EASIER TO SAY. ECHO CONTINUES TO MAKE THE HISTORIC ZIMMERMAN HOUSE AVAILABLE TO VISITORS. THESE TOURS ARE ESPECIALLY POPULAR DURING THE HOLIDAY SEASON WHEN THE HOUSE IS BEAUTIFULLY DECORATED BY VOLUNTEERS. THE GRESHAM HISTORICAL SOCIETY CONTINUES TO ROTATE EXHIBITS IN THE HISTORIC CARNEGIE LIBRARY BUILDING WHICH WAS THE MULTNOMAH COUNTY LIBRARY AT ONE TIME. THEY HAVE CONSISTENTLY SEEN INCREASING NUMBERS OF VISITORS TO VIEW THESE IMPACTFUL AND IMPORTANT EXHIBITS.

LAST YEAR THEY HELD AN EDUCATIONAL EXHIBIT ON THE HISTORY OF JAPANESE AMERICANS IN GRESHAM AND CURRENTLY YOU CAN LEARN ABOUT THE HISTORY OF DOWNTOWN GRESHAM'S BUILDINGS AND BUSINESSES. WE HAVE REPRESENTATIVES HERE TODAY FROM OUR EAST COUNTY HISTORICAL SOCIETIES AND I WOULD LIKE THEM ALL TO STAND, PLEASE. [APPLAUSE] THANK YOU. THE LEVY LAID OUT THOUGHTFUL AND SPECIFIC ACCOUNTABILITY MEASURES AND OUT COMES FOR THE OREGON HISTORICAL SOCIETY, AND I'M NOW GOING TO TURN TO MY CO-CHAIR, JUNE SCHUMAN, TO DISCUSS THESE SPECIFICS.

June Shuman: THANK YOU. GOOD MORNING, CHAIR KAFOURY, COMMISSIONERS. MY NAME IS JUNE SCHUMAN. I'M CO-CHAIR OF THE OHS LEVY OVERSIGHT COMMITTEE. THANK YOU FOR HAVING US HERE TODAY. I WOULD ALSO LIKE TO ACKNOWLEDGE CO-CHAIRS DIANE MCKEEL AND THE MEMBERS OF THE OVERSIGHT COMMITTEE. WE ARE VERY IMPORTANT TO HAVE A DIVERSE AND TALENTED COMMITTEE COMING FROM MANY MULTNOMAH COUNTY COMMUNITIES INCLUDING INDIVIDUALS WHO ARE PROFESSIONAL HISTORIANS, COMMUNITY AND INTELLECTUAL LEADERS, ACTIVISTS, EDUCATORS, ATTORNEY, AND MUSEUM PROFESSIONALS LIKE ME, MYSELF. I KNOW WE HAVE AT LEAST ONE OR TWO COMMITTEE MEMBERS HERE THIS MORNING, SO I WOULD LIKE THEM TO STAND, PLEASE. [APPLAUSE] THANK YOU. I WAS A MEMBER OF THE FIRST OVERSIGHT COMMITTEE THAT WAS CO CHAIRED BY AVAL GORDLY. THEIR LEADERSHIP AND THE THOUGHTFUL PARTICIPATION BY THE COMMITTEE LED TO THE POSITIVE RELATIONSHIP WITH THE OHS LEADERSHIP AND STAFF IN THIS JOINT EFFORT.

June Shuman: IN ADDITION TO ATTENDING TO LEGAL AND FISCAL ACCOUNTABILITY TO THE TAXPAYERS ONE OF OUR MOST IMPORTANT TASKS IS TO ADVISE AND SUPPORT THE OREGON HISTORICAL SOCIETY IN ENSURING THAT ITS BROAD PARTNERSHIPS, STAFF, ITS BOARD, PARTNER STAFF, EXHIBITS AND PROGRAMS PROACTIVELY REFLECT MULTNOMAH COUNTY'S DIVERSE COMMUNITIES. THIS IS THE AREA OF WORK THAT WE HAVE HAD, SOME OF OUR HARDEST, ULTIMATELY THE MOST REWARDING CONVERSATIONS TOUCHING ON PROGRAMMING, SCHOOLS AND COMMUNITY OUTREACH, STAFFING, EVALUATIONS, AND BOARD MEMBERSHIP AMONG OTHER THINGS. THESE HAVE BEEN TWO-WAY CONVERSATIONS WITH OHS REPORTING TO US IN THEIR SUCCESSES AND AREAS FOR IMPROVEMENT AND OUR MEMBERS MAKING SUGGESTIONS WHERE WE HAVE KNOWLEDGE, RELATIONSHIPS, OR EXPERTISE. YOU'LL SEE THE RESULTS OF THIS DIALOG IN THE REPORT THAT YOU HAVE RECEIVED. BRIEFLY TOUCHING ON IMPORTANT HIGHLIGHTS OF THE REPORT, ADMISSION IS FREE FOR ALL MULTNOMAH COUNTY RESIDENTS. THIS IS A PROVISION OF THE LEVY. OHS STAFF WILL BE VERY QUICK TO REMIND EVERYBODY EVERY OPPORTUNITY WE HAVE TO REMIND PEOPLE THAT THE MUSEUM IS OPEN TO ALL MULTNOMAH COUNTY RESIDENTS FREE. MUSEUM IS OPEN 47 HOURS A WEEK AND THE LIBRARY IS OPEN 32 HOURS A WEEK.

THESE HOURS ARE A HUGE CONTRAST FROM WHEN THE LEVY WAS FIRST VOTED WHEN WE WERE IN A CRISIS MOMENT OF WHETHER OR NOT THE MUSEUM WOULD CONTINUE. OHS HAS PROVIDED ITS ANNUAL AUDITS TO THE LOC TO REVIEW. AS YOU'LL HEAR IN MORE DETAIL FROM KERRY TYMCHUK THEIR PROGRAM HAS MORE SIGNIFICANTLY ENGAGED A BROADER SPECTRUM OF MULTNOMAH COUNTY COMMUNITIES. WE HAVE BEEN VERY IMPRESSED AT THE CALIBER OF THE PROGRAMS THAT THEY HAVE PRODUCED IN PARTNERSHIP WITH AGENCIES AND LEADERSHIP FROM DIVERSE COMMUNITIES SUCH AS THE OREGON PLAQUE PIONEERS, THE CHINESE AMERICAN CITIZENS ALLIANCE, LATINO ROOTS PROJECT AND THE PACIFIC NORTHWEST RWANDAN COMMUNITY. WE'RE LOOKING FORWARD TO CONTINUED CONVERSATION WITH OHS. WE ARE PAST THE FISCAL CRISIS BUT WE AND OHS HAVE A LOT OF WORK AHEAD OF US. SOME OF WHAT WE WILL BE WORKING ON WITH OHS IN THE COMING YEARS INCLUDE GIVE INPUT TO THE MULTNOMAH 1 YEAR STRATEGIC PLAN TO MAKE SURE THAT THE PROVISIONS OF THE LEVY ARE REFLECTED IN THEIR PLANNING. CONTINUE DEVELOPING AND TRACKING PERFORMANCE MEASURES TO ENSURE SUCCESSFULLY MEETING THE EXPECTATIONS AND THE SPIRIT OF THE LEVY. CREATE OPPORTUNITIES FOR CONVERSATIONS WITH AND ABOUT THE EAST COUNTY HISTORICAL SOCIETIES. PLAN FOR ANNUAL PROGRESS REPORT TO THE COUNTY COMMISSION. AND WITH THIS I WILL TURN THE PRESENTATION TO KERRY. THANK YOU.

Kerry Tymchuk: THANK YOU, MADAME CHAIR, MEMBERS OF THE COMMISSION. KERRY TYMCHUK, EXECUTIVE DIRECTOR OF THE OREGON HISTORICAL SOCIETY. I WANT TO THANK YOU, CHAIR KAFOURY, FOR APPOINTING SUCH GREAT CO-CHAIRS AND FOR STAFFING AN MMWWW., MARY MERRICK GARLAND ROTE WHEELER WEBER, WHO HAS DONE A GREAT JOB STAFFING SINCE HER ASSIGNMENT. THANK YOU. I HAVE A POWERPOINT, A REVIEW AND PREVIEW OF WHAT'S BEEN GOING ON AT OHS. OUR MISSION, WE HAVE AN OFFICIAL MISSION STATEMENT TO PRESERVE OUR STATE HISTORY AND MAKE IT ACCESSIBLE TO EVERYONE IN WAYS THAT ADVANCE KNOWLEDGE AND INSPIRE CURIOSITY ABOUT ALL PEOPLE, PLACES AND EVENTS THAT HAVE SHAPED OREGON. LAST YEAR ATTENDANCE WAS 52,379. GENERAL ADMISSION, 16% INCREASE OVER THE PRIOR YEAR AND OUR SECOND HIGHEST NUMBER EVER. ACTUALLY THE HIGHER ATTENDANCE BUT THE GRAPHICS IS HIDING THE ACTUAL NUMBER OF ATTENDANCE. WHEN YOU ADD THOSE GROUPS TOGETHER. THE SECOND HIGHEST ATTENDANCE WAS LAST YEAR. OBVIOUSLY SINCE BEFORE THE LEVY OUR ATTENDANCE HAS DOUBLED ALMOST EVERY YEAR SINCE THE PRE-LEVY NUMBERS, WHICH SHOWS THAT MULTNOMAH COUNTY RESIDENTS ARE TAKING ADVANTAGE OF THE FREE ADMISSION. JUST A GRAPHIC THERE ON THE MONTH BY MONTH ADMISSIONS.

LIBRARY VISITS TOTAL OVER 5,000 COME TO THE RESEARCH LIBRARY EVERY YEAR. WEBSITE TRAFFIC HAS GONE PHENOMENALLY UP OVER THE TIME. YOU CAN SEE IT'S UP INCREASED AGAIN IN 2017. THE OREGON ENCYCLOPEDIA WHICH WE OPERATE PEER REVIEWED ENCYCLOPEDIA UP 37% LAST YEAR AND HAS SEEN A SKYROCKETING THIS YEAR. WE'RE THE NEWEST IN CASE YOU DIDN'T READ THE NEWEST NETFLIX SENSATION WITH WILD, WILD COUNTRY. THE STORY OF THE RAJ NEARBY BEING ON NETFLIX AND BEING THE LATEST BINGE WATCHING PASSION ACROSS THE COUNTRY. THE LAST MONTH THE HIGHEST NUMBER OF VISITS TO OUR WEBSITE, WEBSITES EVER WITH THE CITY OF ANTELOPE BEING THE NUMBER ONE ENTRY. OVER 50% OF THE VISITS VISITING ON THE RAJ NEARBY HAS COME FROM EUROPE. WE'RE BRINGING A LOT OF E-TOURISM TO MULTNOMAH COUNTY. THE DIGITAL COLLECTIONS, ONE OF OUR BIG MISSIONS IS PUTTING MORE AND MORE ONLINE SO PEEP CAN ACCESS IT NOT ONLY IN MULTNOMAH COUNTY BUT ACROSS THE COUNTRY AND THE WORLD. WE LAUNCHED IT IN MAY 2017.

OVER 15,000 MANUSCRIPTS, FILMS, ORAL HISTORIES NOW AVAILABLE WITH CONTENT ADDED EACH WEEK THAT YOU CAN ACCESS DIGITALLY. SOME OF THE GREAT COLLECTIONS THERE, NEWSPAPER PHOTOS FROM THE OREGON JOURNAL, PAPERS FROM JOE PALMER, SUPERINTENDENT OF INDIAN AFFAIRS FOR THE OREGON TERRITORY. FROM THE GAY AND LESBIAN ARCHIVES. GREAT EXHIBITS LAST YEAR AND A HALF, WE DID A WONDERFUL EXHIBIT ON A TALE OF PORTLAND HISTORIC CHINATOWN. HIGH HOPES, THE JOURNEY OF JOHN KENNEDY. ATTENDANCE IS 20% ABOVE LAST YEAR'S ALMOST RECORD LEVEL, A GOOD SHARE DUE TO OUR CIVIL RIGHTS EXHIBIT RACING TO CHANGE WHICH SOME OF YOU HAD SEEN. WOULD ENCOURAGE YOU ALL TO

COME BY. IT RUNS THROUGH JUNE. FOURTH EXHIBIT WITH THE OREGON BLACK PIONEERS OVER THE LAST SIX YEARS TELLING THE AFTER CANNING AMERICAN STORY IN OREGON CHRONOLOGICALLY. WE HAVE REACHED THE CIVIL RIGHTS ERA.

Kerry Tymchuk: WE HAVE A HISTORY HUB ADDED YEAR AND A HALF AGO. A PERMANENT EXHIBIT MADE FOR KIDS EXPLORING THE MANY PEOPLE AND EVENTS THAT HAVE SHAPED OREGON HISTORY ALONG THE THEME OF DIVERSITY, HOW WE'RE ALL OREGONIANS AND WE WANT ALL OUR STORIES HERE WHETHER WE ARE RELATIVES OF THE NATIVE AMERICANS OR YOU MOVED HERE LAST YEAR. WE WON THE 2017 AMERICAN ASSOCIATION OF STATE AND LOCAL HISTORY AWARD FOR THAN EXHIBIT, THE ONLY MUSEUM IN THE PACIFIC NORTHWEST TO RECEIVE THAT AWARD. SOME AWARDS AND RECOGNITIONS, THE DIVERSITY HERITAGE AWARD FROM THE SCANNER WITH THE PIONEERS. THE FLYING HORSE AWARD, NORTHWEST CHINA COUNCIL. THE LIBRARY SCIENCE AND TECHNICAL ADMINISTRATION PROJECT OF THE YEAR AWARD WAS FOR REUNITING FAMILY, NATURE PHOTOGRAPHERS. WE ARE PROUD TO REMAIN FOUR STAR BY THE CHARITY NAVIGATOR, WHICH IS THE HIGHEST RATING THEY GIVE, HONORING OUR SOUND FISCAL MANAGEMENT AND PRACTICES. EDUCATION PROGRAMS WE CONTINUE TO SEND TRAVELING TRUNKS ACROSS WITHOUT AND STATE WHICH CONTAIN HANDS ON LESSONS, TOPICS INCLUDE THE OREGON TRAIL, CHINESE TRADITIONS, MEXICAN AMERICAN ARTS AND CULTURE. ONE OF THE GREAT PROGRAMS IS FAMILY SATURDAY.

FREE PROGRAMS FOR EVERYBODY WITH PERFORMANCES AND CRAFTS PAST EVENTS HAVE HIGHLIGHTED THE AMERICAN INDIAN AND LATINO CULTURES IN OREGON. THESE BRING IN HUGE AUDIENCES. WE ARE ALSO EXCITED THE LAST THREE YEARS WE HAVE DONE THE DRAGON DANCE FOR THE CHINESE NEW YEAR. OVER 1,000 PEOPLE EACH YEAR GATHER TO WELCOME THE DRAGON AT OHS AFTER IT DANCES THROUGH THE STREETS OF PORTLAND. THE ROAD SHOW, WE'LL BE BACK AGAIN. IF ANY HAVE YOU HAVE NOT SEEN MR. ROOSEVELT, HE'S THE LEADING RE CREATOR. IT'S SPONSORED BY WELLS FARGO. THAT ALLOWS HIM TO GO AROUND THE COUNTY AND THE STATE AND GO TO HISTORICAL SOCIETIES FOR FREE. WE DID A HIP-HOP DOCUMENTARY PROJECT THAT ELIZA PLAYED A KEY ROLE IN THAT, SERIES ON MAXVILLE TO VANPORT, WORLD WAR I CENTENNIAL SERIES, NATURE WALKS. THERE'S ALWAYS SOMETHING GOING ON AT OHS. OUR PROGRAMMING HAS OKAY IT UP LED EIGHT TIMES OVER 2010. THAT'S A GOOD WORD TO SAY. OCTUPLE. COME ON OUT.

Eliza: THIS MONTH IS THE 50TH ANNIVERSARY OF THE FAIR HOUSING ACT. WE WORKED WITH COMMUNITY PARTNERS AND FAIR HOUSING COUNCIL TO DO PROGRAMS. RICH ROTHSTEIN, AUTHOR OF THE COLOR OF LAW, WILL BE HERE IN CONVERSATION WITH A LOCAL EXPERT ON HOUSING SEGREGATION AND DISCRIMINATION IN OREGON. WE SOLD OUT TICKETS MONTHS AGO. WE'LL BE

LIVE STREAMING THAT ON FACEBOOK TO HELP GENERATE ACCESS. THERE HAVE BEEN OTHER PROGRAMS THAT WE HAVE DONE AS WELL IN RECOGNITION OF THE 50TH ANNIVERSARY OF THE FAIR HOUSING ACT AND CHANGES HAPPENING FROM THE FEDERAL LEVEL TODAY THAT WE'RE SEEING IN SOME OF THE COMMITMENT TO IMPLEMENTING THAT ACT. WE HAVE SEEN A LOT OF GREAT INTEREST IN THIS HISTORY. SOME OF YOU MAY HAVE SEEN THERE'S ATTENTION TO RESEARCH THAT'S BEING DONE HERE ABOUT RESTRICTIVE COVENANTS IN HOUSING DOCUMENTS, AND THAT'S BEEN PROFILED IN THE SCANNER AND THAT KIND OF THING, PSU, OHS, FAIR HOUSING, LOTS OF GROUPS ARE WORKING ON THIS HISTORY AND ITS IMPACT.

Eliza: I CAN TELL YOU ABOUT SOME OF THE OTHER THINGS. WE WERE RECENTLY CONNECTED WITH PACIFIC NORTHWEST RWANDAN ASSOCIATION. THEY HOST A REMEMBRANCE OF THE GENOCIDE AGAINST THE TUTSI. THEY CHOSE OHS THIS MONTH. IT WAS A WONDERFUL OPPORTUNITY TO GET TO KNOW A COMMUNITY WE HAVEN'T KNOWN AS WELL. WE MET THROUGH CHARLENE MCGEE, COUNTY PUBLIC HEALTH EMPLOYEE. SHE RECOGNIZED THE OPPORTUNITY TO SEE PUBLIC STORY TELLING AND RECOGNITION OF HISTORY AS A PUBLIC HEAD BENEFIT. SO IMMEDIATELY BECAME A PARTNER WITH OHS, AND HAS INTRODUCED US TO WONDERFUL IMMIGRANT AND REFUGEE COMMUNITIES. ON MAY 31 WE'LL BE TALKING ABOUT BIRTH STORIES AND CULTURAL TRADITIONS AND WE'RE GOING TO HAVE A BIG PARTY. IT SHOULD BE REALLY FUN, SO YOU SHOULD COME.

Kerry Tymchuk: THERE'S THE THIRD ANNUAL LUNAR NEW YEAR PARADE AND DANCE. WE STARTED IT IN PARTNERSHIP WITH THE PORTLAND CHINATOWN HISTORY MUSEUM FOR THESE PROGRAMS. OF COURSE THE MAJORITY OF PROGRAMS ARE FREE. WE HAVE CHAIR MCKEEL SAID EVERY TIME SOMEONE COMES IN THE FIRST QUESTION WE ASK ARE YOU A MULTNOMAH COUNTY RESIDENT. VERY ENCOURAGED RECENTLY THE NUMBER OF PEOPLE WHO REALIZE THAT THEY ARE. [LAUGHTER] EXPRESSED MY FIRST FRUSTRATIONS, EVERY ADVERTISEMENT, EVERY COMMERCIAL, EVERYTHING IN THE NEWSPAPER --

Chief Kafoury: ARE YOU SAYING THEY DIDN'T KNOW THEY WERE LIVING IN MULTNOMAH COUNTY?

Kerry Tymchuk: NO, THAT THEY COULD COME FOR FREE. EVERY TIME I GIVE A SPEECH WE PUSH THE FACT THAT IT'S PART OF THE LEVY AND COME EVERY DAY OF THE YEAR. WE ALSO PUT MORE OF OUR PROGRAMS HAVE BEEN RECORDED AND BROADCAST LIVE ON FACEBOOK AS WELL AS THROUGH LATER VIEWING ON YOUTUBE YOUTUBE. SCHOLARSHIP, ELISA IS THE HEAD OF, PUBLISHED CONTINUOUSLY SINCE 1900. WE OFFER FREE ACCESS THROUGH THE LIBRARY AND FREE ARTICLES ARE ALSO AVAILABLE ONLINE. IS THAT THE LAST ONE? A FEW THINGS TO ADD, WE JUST RECENTLY SIGNED A CONTRACT REACHED AN AGREEMENT WITH ILU LOCAL AFFILIATE 5, ABOUT A

THIRD OF OUR EMPLOYEES ARE A MEMBER OF THE UNION. WE'RE THE FIRST CONTRACT EVER IN THE PACIFIC NORTHWEST THAT CONTAINS INCLUSIVE NONBINARY PRONOUNCE. THEY, THEM, THEIR.

Kerry Tymchuk: ONE OF FEW IN THE COUNTRY AND THE FIRST IN THE PACIFIC NORTHWEST THE UNION TELLS US. WE'RE VERY EXCITED ABOUT THAT. OF COURSE AS YOU MIGHT KNOW I DON'T USUALLY LEAVE THE MUSEUM WITHOUT SOMETHING FOR SHOW AND TELL. I THOUGHT IT WOULD BE FITTING AS WE LOOK HEAD AHEAD FOR 2020, THE CENTENNIAL OF WOMEN'S SUFFRAGE ACROSS THE COUNTRY. MOST OF THE NATION WOMEN GOT THE RIGHT TO VOTE HERE IN 1912 AND WE CELEBRATED THAT BACK IN 2012. 2020 WE'RE GOING TO DO A MAJOR EXHIBIT ON THE 19TH AMENDMENT. ELIZA, IF YOU COULD APPROACH THE BENCH AS I USED TO SAY IN MY LAWYER DAYS, SHE'S HOLDING A HANDWRITTEN LETTER TO ABIGAIL SCOTT DONAWAY FROM SUSAN B. ANTHONY, THE NATION'S LEADING SUFFRAGETTE THANKING HER FOR THE HOSPITALITY THEY HAD SHOWN LEER WHEN SHE WAS ON A VISIT TO OREGON HELPING THE CAMPAIGN FOR WOMEN'S SUFFRAGE.

IT WENT TO THE BALLOT FOUR TIMES AND FOUR TIMES MEN VOTED IT DOWN. IT WASN'T UNTIL 1912 WHEN OREGON MEN RELENTED TO GIVE WOMEN THE RIGHT TO VOTE. THE GRAY STORY IS ABIGAIL WAS THE LEADING PROPONENT. UNFORTUNATELY FOR HER ONE EVER THE LEADING OPPONENTS WAS HARVEY SCOTT, HER BROTHER. UNFORTUNATELY HE WAS EDITOR OF THE OREGONIAN. I HAVE TO QUESTIONS THE FIRST PRESIDENT OF THE BOARD OF THE OREGON HISTORICAL SOCIETY. [LAUGHTER]

Chair Kafoury: WE'VE COME A LONG WAY.

Kerry Tymchuk: HE WOULD OCCASIONALLY EDITORIALIZE AGAINST GIVING WOMEN THE VOTE. HE ALLEGEDLY SAID WOMEN WILL GET THE RIGHT TO VOTE OVER HIS DEAD BODY. HE DIED IN 1910, THEY GOT THE RIGHT TO VOTE IN 1912, SO IT ALL WORKED OUT FOR EVERYBODY. SPECIAL ISSUE FOR ARTICLES [AUDIO NOT UNDERSTANDABLE] ON WOMEN'S SUFFRAGE. SO THERE'S LOTS GOING ON. WE'RE VERY GRATEFUL FOR THE LEVY. IT HAS ALLOWED US TO THRIVE AND REACH OUT TO ALL MULTNOMAH COUNTY POPULATION.

Chair Kafoury: THANK YOU. THANK YOU ALL. DO WE HAVE QUESTIONS, COMMENTS?

Commissioner Stegmann: THANK YOU, CHAIR. FIRST, I WANTED TO SAY HELLO TO ALL MY EAST COUNTY FRIENDS. IT WAS GREAT TO SEE YOU LAST WEEKEND AT THE CROWN POINT COUNTRY MUSEUM. GROUNDBREAKING. THANK YOU TO COMMISSIONER MCKEEL FOR BEING THERE. IT WAS SUCH A GREAT EVENT. I WANTED TO SHARE A LITTLE BIT. I KNOW THEY STARTED COLLECTING ARTIFACTS AND POSTCARDS AND RECORDS FOR THIS MUSEUM

IN 1970, SO IT'S BEEN 48 YEARS. SO KIND OF LIKE THE COURTHOUSE, IT TOOK A LONG TIME BUT WE'RE FINALLY THERE. I'M REALLY EXCITED TO SEE THE GROUNDBREAKING. THERE WAS A MEMBER, TUCKISH FROM THE WASCO TRIBE. AS WE KNOW A LOT OF TIMES OUR HISTORY BOOKS AND SCHOOLS DON'T REFLECT THE DIVERSITY OF THE AREA SO I'M REALLY EXCITED THAT THIS MUSEUM IS GOING TO REALLY HIGHLIGHT ALL THE SOCIETIES AND COMMUNITIES THAT HAVE LIVED IN EAST COUNTY FOR THOUSANDS OF YEARS. THEN I ALSO WANTED TO THANK KERRY.

Commissioner Stegmann: I KNOW WE'RE GOING TO HAVE A FAIR HOUSING PROCLAMATION HERE ON THURSDAY. THANK YOU FOR SENDING OVER SOME RESOURCES TO HELP WITH THAT. ALSO THE JFK EVENT. WE HAVE A LIVE SIZE JFK BECAUSE OF THE EVENT THAT WE WENT TO. IT'S VERY STRIKING. PEOPLE SAY, YOU HAVE A POSTER OF YOUNG JFK IN YOUR HOUSE BUT IT'S REALLY KIND OF FUN. I JUST APPRECIATE ALL THE WORK THAT THE HISTORICAL SOCIETY HAS DONE BUT SPECIFICALLY OUR EAST COUNTY HISTORICAL SOCIETIES. WHILE \$40,000 ISN'T A HUGE AMOUNT OF MONEY, TO THESE SOCIETIES THAT IS BIG MONEY AND IT'S REALLY, REALLY IMPORTANT, AND I'M JUST GRATEFUL FOR ALL OF OUR SOCIETY MEMBERS WHO VOLUNTEER ALL THEIR TIME AND WANT TO MAKE SURE HISTORY IS KEPT ALIVE AND THAT WE'RE ABLE TO SHARE WITH FUTURE GENERATIONS. THANK YOU FOR YOUR WORK.

I JUST WANTED TO SHARE MY APPRECIATION FOR ALL OF THE WORK YOU'RE DOING TO MAKE SURE THAT THIS INVESTMENT THAT MULTNOMAH COUNTY RESIDENTS HAVE MADE IN OUR HISTORICAL SOCIETY IS UNDER GOOD STEWARDSHIP AND BEING PUT TO USE IN SOME OF THESE AMAZING EVENT AND EXHIBITS THAT REALLY REFLECT THE DIVERSE HISTORY OF OUR STATE. AS COMMISSIONER STEGMANN SAID REALLY BRINGING TO THE FOREFRONT STORIES AND PERSPECTIVES THAT HAD NOT BEEN SHARED BEFORE AND WE'RE BETTER AND RICHER FOR IT. I APPRECIATE WHAT YOU'RE DOING. ESPECIALLY I THINK YOU HAVE SUCH A BEAUTIFUL BUILDING DOWN ON THE PARK BLOCKS. IT'S JUST WONDERFUL. I LOVE GOING TO EVENTS THERE. ALSO THE TRAVELING EXHIBIT THAT REACHES PEOPLE ACROSS OUR WHOLE STATE, SHARING THAT HISTORY AND THAT PERSPECTIVE. THAT'S SUCH AN ASSET TO EVERYBODY IN OUR STATE. THANKS SO MUCH FOR AUER YOU'RE DOING. CAN'T WAIT TO GO VISIT. THANKS.

Commissioner Smith: THANK YOU, MADAME CHAIR. THANK YOU FOR COMING TO GIVE US THIS PRESENTATION. IT'S GREAT. WONDERFUL. I APPRECIATE YOUR LEADERSHIP, KERRY. IT'S BEEN PHENOMENAL. THANK YOU, COMMISSIONER MCKEEL, JUNE, DIANE, WHAT IS YOUR NAME? MARY MARGARET? [LAUGHTER] I LOVE IT. THANK YOU ALL FOR THIS. JUST CURIOUS, I KNOW THIS IS AN OVERSIGHT COMMITTEE. HOW MANY COMMITTEE MEMBERS DO YOU HAVE?

Mary Margaret: 15.

Commissioner Smith: HOW OFTEN DO YOU MEET?

Mary Margaret: THEY HAVE MET TWICE SINCE APPOINTED IN NOVEMBER. THEY ARE COMMITTED TO MEETING TWICE ANNUALLY. IN THE PAST WITH THE FIRST ITERATION THEY MET FIVE TIMES THE FIRST YEAR, SO IT JUST DEPENDS ON THE WORK THAT THEY ARE DOING BUT THEY ARE COMMITTED TO TWICE ANNUALLY.

Commissioner Smith: GREAT. I WAS REALLY CURIOUS ABOUT MAXWELL. MAXWELL TO VANPORT. TELL ME ABOUT MAXWELL.

Kerry Tymchuk: MAXVILLE IS A LUMBER COMMUNITY IN EASTERN OREGON. IT WAS HISTORICALLY LARGELY POPULATED IN THE LUMBER COMPANY WAS RUN AND OPERATED BY AFRICAN-AMERICANS. JUST A TOTAL -- LITTLE CORNER OF EASTERN OREGON. THEY HAVE A WONDERFUL EXECUTIVE DIRECTOR WHO WE HAVE PARTNERED WITH AND SPONSORED PROGRAMS IN PORTLAND AND HAVE HELPED HER AND MENTORED HER ALONG THE WAY. JUST AN INCREDIBLE STORY.

Commissioner Smith: WHAT'S CLOSE TO MAXVILLE.

Eliza: IT'S OVER NEAR JOSEPH BUT NEAR THE WALAWA MOUNTAINS. IT DOESN'T EXIST ANY MORE. IT WAS IN EXISTENCE FROM THE 20S THROUGH THE 30S. THEY CUT THE LUMBER AND WENT ON.

Commissioner Smith: THERE'S NO CITY OR ANYTHING?

Eliza: NO. THERE MAY STILL BE JUST ONE BUILDING UP THERE. IF YOU GO FOR MAXVILLE DAYS, WHICH THE HERITAGE CENTER HOSTS EVERY SUMMER, IT'S WORTH GOING TO. SOMETIMES THEY WILL TAKE A TRIP UP INTO THE WOODS WHERE MAXVILLE WAS. YOU CAN SEE SOME OF THE OLD RAIL LINES AND BUILDINGS. THEY WOULD BRING IN LUMBER CAMPS AND SPEND HOWEVER MANY YEARS CUTTING LUMBER THEN MOVE ON.

Commissioner Smith: INTERESTING. WAS THAT BECAUSE AFRICAN-AMERICANS COULDN'T LIVE IN CITIES, IN THE TOWNS? IS THAT WHY THEY CREATED IT.

Eliza: MAXVILLE -- THERE WERE WHITE LOGGERS AND AFRICAN-AMERICANS. IT WAS SEGREGATED. THEY HAD SEGREGATED SCHOOLS AND HOUSING. BUT THEY RECRUITED LOGGERS BECAUSE OF THEIR SKILL. THESE WERE HIGHLY SKILLED WORKERS WHO GOT RECROWDED OUT OF THE SOUTH AND SOUTHWEST TO COME INTO OREGON. A LOT OF AFRICAN-AMERICANS WERE FLEEING VIOLENCE THAT THEY WERE EXPERIENCING IN THE SOUTH AND SOUTHWEST AND WERE GETTING RECRUITED FOR THEIR SKILLS. THAT'S WHY THEY BROUGHT THEM HERE.

Commissioner Smith: I KNOW MY GRANDPARENTS CAME HERE FROM BROOKLYN, NEW YORK, IN 1944. MY GRANDFATHER CAME HERE TO WORK IN THE KAISER SHIPYARDS AND THEN WAS A PORTER. VERY INTERESTING. I NEVER HEARD THIS STORY BEFORE.

Eliza: WE'LL GET YOU MORE INFORMATION. [LAUGHTER]

Commissioner Smith: THANK YOU.

Chair Kafoury: COMMISSIONER MEIERAN?

Commissioner Meieran: I JUST WANTED TO ADD MY APPRECIATION TO THAT OF MY COLLEAGUES UP HERE. THANK YOU TO DIANE MCKEEL AND TO JUNE AND TO KERRY FOR COMING HERE TODAY AND TELLING US ABOUT THE WORK YOU'RE DOING, ABOUT THE OVERSIGHT COMMITTEE, WHICH SOUNDS JUST -- FABULOUS. SUCH A MODEL OF HOW A COMMITTEE CAN WORK. I JUST SO AM INSPIRED WHEN I GO TO THE OREGON HISTORICAL SOCIETY. I KNOW LAST TIME I WAS THERE WAS FOR I THINK IT WAS DR. MARKEY WAS DOING A TALK. HE WAS OBAMA'S SURGEON GENERAL. I WALK LIKE, AWWW! TALKING ABOUT MENTAL HEALTH AND WELL-BEING PARTICULARLY IN CHILDREN AND FAMILIES. I HAVE THE GOOD FORTUNE OF MR. TYMCHUK TAKING US AROUND TO SEE THE RACING TO CHANGE EXHIBIT. THAT WAS ABSOLUTELY PHENOMENAL. I WOULD ENCOURAGE ANY OF MY FELLOW COMMISSIONERS WHO HAVE NOT GONE TO THAT TO GO. JUST AM SO INSPIRED BY OHS. SO THANK YOU. I NEED TO GO TO THE EAST COUNTY AND GO VISIT SOME OF THE MUSEUMS IN DISTRICT 4.

Kerry Tymchuk: WE WERE DELIGHTED WHEN CHIEF OUTLAW, LOVE THAT NAME, THE POLICE CHIEF, CAME TO TOUR THE EXHIBIT AND CALLED ME NEXT DAY AND SAID I WOULD LIKE TO HAVE MY SWEARING IN AT OHS, TO SEND A MESSAGE. IT WAS A WONDERFUL CEREMONY, SOME 300 PEOPLE. YOU WERE THERE, CHAIR KAFOURY WAS THERE. IT WAS A GREAT DAY. ALSO WANTED TO MENTION EXCITING TIME FOR OHS, WE'RE GOING THROUGH A CAPITAL CAMPAIGN WITH THE NUMBER ONE ITEM BEING TO REDO OUR SIGNATURE EXHIBIT CALLED OREGON, MY OREGON, THE ONE THAT ALL THE SCHOOL GROUPS, TOURISTS GO THROUGH. ABOUT 20 YEARS OLD SINCE IT WAS FIRST PLANNED AND 16 SINCE IT WAS INSTALLED. TECHNOLOGY HAS IMPROVED THEN SO I HEAR AND SCHOLARSHIPS HAVE IMPROVED, SO IT CLOSES THE END OF THIS MONTH. IT WILL REOPEN ON OREGON'S BIRTHDAY 2019 FOR OREGON'S 160TH BIRTHDAY. WE HAVE SPENT A LOT OF TIME THIS LAST YEAR REACHING OUT TO ALL OF OREGON'S DIVERSE POPULATIONS TO MAKE SURE THEIR STORY IS BEING TOLD CORRECTLY IN THE EXHIBIT. VERY CLOSE RELATIONSHIP WITH ALL NINE OF THE ORGANIZED TRIBES BASED IN OREGON. Kerry Tymchuk: THEY HAVE BEEN VERY INVOLVED IN THE GET-GO IN PLANNING THE EXHIBIT. IT WILL BE EXCITING. MARK YOUR CALENDARS FOR OREGON'S

BIRTHDAY NEXT YEAR. I KNOW I THINK CHAIR KAFOURY AND VICE CHAIR STEGMANN, COMMISSIONER SMITH, I THINK YOU'VE ALL BEEN TO THE VAULT, BUT COMMISSIONER PEDERSON AND COMMISSIONER MEIERAN BUT I WOULD LOVE TO TAKE YOU OUT TO OUR WAREHOUSE IN GRESHAM. IT'S A ONE OF A KIND TRIP DOWN MEMORY LANE.

Chair Kafoury: ONE OF THE BENEFITS OF THE OHS OVERSIGHT COMMITTEE IS THAT WE HAVE AN OPPORTUNITY ONCE A YEAR TO HAVE YOU ALL COME OUT AND TALK WITH US ABOUT THE HIGHLIGHT OF WHAT THE MUSEUM IS UP TO, BUT ALSO HEAR FROM OUR COMMUNITY VOLUNTEERS WHO DO SUCH GREAT WORK. AND I REALLY WANT TO THANK COMMISSIONER MCKEEL AND JUNE FOR COMING FORWARD TODAY AND THANK YOU FOR YOUR WORK IN KEEPING THE COMMITTEE GOING. AND THANK YOU MARY MARGARET FOR ALL OF YOUR HARD WORK, I KNOW IT'S A LABOR OF LOVE BECAUSE YOU LOVE HISTORY SO MUCH.

BEING A HISTORY BUFF MYSELF AND LOVING MUSEUMS, WHEN THE OPPORTUNITY CAME TO PUT A BALLOT MEASURE OUT FOR THE HISTORICAL SOCIETY, MULTNOMAH COUNTY ELECTED OFFICIALS JUMPED AT THE CHANCE TO DO IT BUT WE REALLY WANTED TO MAKE SURE THAT THE ENTIRE COUNTY BENEFITED. SO AT THAT POINT COMMISSIONER MCKEE I KNOW HAD SPENT MANY, MANY HOURS IN THOSE LOCAL HISTORICAL SOCIETIES, BUT I WENT OUT TOURED THE ONES OUT IN EAST COUNTY ALL THE DIFFERENT MUSEUMS AND REALLY YOU HAVE TO DO IT, THEY ARE AMAZING AND WE SHOULD DO ANNUALLY, WE SHOULD ALL GO OUT TOGETHER. ONE OF MY FAVORITE MUSEUMS, IT'S NOT IN MULTNOMAH COUNTY BUT I RECENTLY FOUND LAST SUMMER AND I HAVE TO TELL EVERY ONE ABOUT IT. IS THE CAM WA CHUN IN JOHN DAY AND IF YOU HAVEN'T BEEN THERE, THAT IS ANOTHER MIND BLOWING MUSEUM OF A CHINESE AMERICAN DOCTOR, PHARMACIST, AND MERCHANT AND THE HOME THAT THEY LIVED IN A WORKED IN WAS AMAZINGLY PRESERVED. THEY JUST LEFT ONE DAY AND LOCKED THE DOOR AND YEARS LATER THEY OPENED IT UP. SO YOU CAN JUST WALK THROUGH IT AS IF NOTHING HAS CHANGED.

Kerry Tymchuk: I HAD THE PLEASURE OF LAST YEAR GIVING A TOUR OF THE KENNEDY EXHIBIT TO CHAIR KAFOURY'S SON, WHO KNOWS MORE ABOUT HISTORY THAN I DO I THINK, HE IS A TRUE HISTORY BUFF. I ALWAYS WORRY HISTORY GETS A BUM WRAP IN SCHOLL BECAUSE IT REMEMBER NAMES AND DATES AND PLACES AND WE ARE LOSING A GENERATION TO STEM, WHICH IS IMPORTANT BUT HISTORY IS ALSO IMPORTANT. YOU'VE DONE A GREAT JOB TELLING YOUR SON ABOUT HOW IMPORTANT HISTORY IS.

Chair Kafoury: WELL AND HE JUST ACCEPTED LAST NIGHT HE IS GOING TO BE GOING TO OBERLIN IN THE FALL, WHICH IS BIG NEW IN OUR FAMILY. ALRIGHT

THANK EVERYONE FOR COMING AND OUR EAST COUNTY PARTNERS. SEEING NO FURTHER BUSINESS WE ARE ADJOURNED.

ADJOURNMENT – 11:17 a.m.

[CAPTIONS PROVIDED BY LNS CAPTIONING AND MAY INCLUDE INACCURATE WORDS OR PHRASES DUE TO SOUND QUALITY, OTHER TECHNICAL DIFFICULTIES AND/OR SOFTWARE ERRORS.]

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Submitted by:

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