

**Minutes of the Board of Commissioners
Multnomah Building, Board Room 100
501 SE Hawthorne Blvd., Portland, Oregon
Tuesday, September 12, 2017**

BOARD BRIEFING

Chair Deborah Kafoury called the meeting to order at 10:07 a.m. with Vice-Chair Jessica Vega Pederson and Commissioners Loretta Smith and Lori Stegmann present. Commissioner Sharon Meieran arrived at 10:08 a.m.

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

Chair Kafoury: GOOD MORNING, EVERYBODY. WELCOME TO THE MEETING. WHEN THE MICROPHONE IS ON THAT MEANS COME ON UP. IT'S JUST YOU THIS MORNING. WE HAVE OUR CENTRAL COURTHOUSE TEAM AND OUR ESTEEMED GUESTS INCLUDING JUDGE WALLER. GOOD MORNING.

B.1 Board Briefing on the Multnomah County Central Courthouse (MCCCH) Project. Presenters: JD Deschamps, Facilities & Property Management; and, Paul Smith, DAY CPM – Owner's Representative.

Mr. Deschamps: GOOD MORNING, CHAIR AND COMMISSIONERS. I'M J.D. DESCHAMPS, PROJECT MANAGER FOR FACILITIES FOR THE NEW COURTHOUSE. I HAVE PAUL SMITH WITH DCPM, WHO I BROUGHT OUT OF RETIREMENT TO DO THE BRIEFING TODAY. HE WILL BE IN BOISE. HE CAME FOR THE BRIEFING. THIS IS A VIEW THAT IN THE NEXT COUPLE OF MONTHS WILL BECOME MORE REALTY. WE'RE FINISHED WITH THE BASEMENT AND IN THE NEXT COUPLE OF MONTHS, I THINK IT WAS A 16-DAY CYCLE GETTING THE FLOORS COMING UP. THIS BUILDING WILL BE A REALTY VERY SOON. TODAY I'M GOING TO BE GOING OVER A FEW ITEMS. THE PROJECT VISION IS IMPORTANT TO ALWAYS TALK ABOUT THAT BECAUSE IT INFORMS HOW WE TOOK THE BOARD'S GOALS AND VALUES AND DROVE IT TO MAKE SURE WE ARE MAKING THE RIGHT DECISIONS ALL THE WAY THROUGH. I HAVE CONSTRUCTION VIDEOS AND PHOTOS AND WE'LL GO THROUGH THE DASHBOARD. THE PORTLAND CONSTRUCTION ECONOMIC OVERVIEW IS GIVING A CONTEXT TO WHAT'S GOING ON IN TODAY'S MARKET, WHICH INFORMS THE PROJECT BUDGET AND AT THE END I'LL GO OVER THE NEXT STEPS.

SO THE VISION AND THE MISSION OF THE PROJECT, THE BIGGEST THING TO NOTE IS THAT THIS IS A BUILDING THAT HAS ALL THE COUNTY GOALS AND VALUES. SUSTAINABILITY, DIVERSITY, COMMUNITY ENGAGEMENT. IT'S GOING TO BE A 100 YEAR BUILDING AND AS A PROJECT TEAM WE'RE MAKING ALL OF THE DECISIONS WE'RE ALWAYS LOOKING TO MAKE SURE THAT WE KEPT THOSE IN MIND, THAT WE VETTED EVERY DECISION THROUGH IT. IS IT A 100 YEAR

BUILDING? IS IT SUSTAINABLE? ON BUDGET, ON SCHEDULED? ALL THESE THINGS INFORMED EVERYTHING WE WERE DOING AS WE MADE OUR DECISIONS THROUGH THE PROJECT.

Mr. Deschamps: A COUPLE OF INTERESTING ITEMS, FOR SHOW AND TELL, WHILE WE DIDN'T FIND ANY ARCHAEOLOGICAL ITEMS WE DID FIND A GINGER BEER BOTTLE FROM THE 1880S WHICH I DON'T THINK EVERYONE HAD SEEN. IT'S VERY HEAVY. GOOGLE RESEARCH FINDS ALMOST EVERYTHING. IT PROBABLY WAS GINGER BEER. IT MAY HAVE BEEN SOMETHING ELSE BUT IT'S FROM THE 1880S. WE DIDN'T FIND ANY HAZARDOUS MATERIALS. THE TOWER CRANE YOU CAN SEE THAT'S INSTALLED. THE DRILL SHAFTS WON'T OF OUR BIGGEST COMPLICATED ITEMS WE CLEATED THE ELEVATOR SHAFTS ARE MOVING ALONG. ONE THING VERY IMPORTANT TO THE BOARD AND COMMISSIONERS IS THAT WE KEEP TRAFFIC MOVING. WITH THE WORK THE COUNTY IS DOING ON THE OTHER BRIDGES THAT WE COORDINATE WITH PBOT, THAT TRAFFIC KEEPS MOVING FLEW DOWNTOWN SO WE'RE NOT ONE OF THE PROBLEMS.

Chair Kafoury: I THINK TERRY WILL WANT THIS FOR OHS. [LAUGHTER]

Mr. Deschamps: COUPLE OF PHOTOS ABOUT THE CONSTRUCTION. THIS IS ONE WHERE YOU CAN SEE THE GIANT AUGER DRILLING OUT THE 36 DIAMETER DRILL SHAFTS. THEY GO DOWN TO THE ROCK THEN ANCHOR TEN FEET INTO THE ROCK. THAT'S ONE OF THE THINGS COMMISSIONER SMITH HAS ALWAYS ASKED ABOUT, I REMEMBER, LIQUEFACTION AND WE'RE BEARING ON ROCK. ONE OTHER THING INTERESTING ABOUT THIS PHOTO AND OTHER THINGS WE HAD A NICE ARTICLE WRITTEN IN THE JOURNAL OF COMMERCE TITLED CENTRAL COURTHOUSE ON SOLID FOUNDATION. SO IT WAS A GREAT ARTICLE. WE BUILD IT, TEST IT AND MAKE SURE THE MONEY IS INVESTED WISELY AND THAT WE CHECK EVERYTHING AS WE GO. SO THIS IS A PHOTO SHOWING THE REINFORCING CAGE INTO THE DRILL SHAFT. THIS IS IT BEING LOWERED INTO PLACE. COMMISSIONER STEGMANN HAPPENED TO BE THERE ONE DAY AS SHE WATCHED THEM.

THEN HERE'S THE TOWER CRANE INSTALLATION. YOU CAN SEE THERE ARE TWO MEN IN THERE WHO ARE WAITING FOR THE TOWER CRANE TO BE LOWERED DOWN AND THEN THEY BOLT IT TOGETHER. SO ONE OF THE OTHER THINGS THAT'S KIND OF INTERESTING TO NOTE IS THAT THE TOWER CRANE IS NOT A SMALL HEIGHT. IT'S ABOUT 210 FEET. WHEN WE BUILD UP ENOUGH OF THE FLOORS, AT THE SEVENTH FLOOR WE CAN JUMP THE CRANE SO IT WILL GET EVEN TALLER. I KEEP WATCHING THE NEWS IN THE MORNING AND I SEE THE TOWER CRANE ON BOTTOM OF IT. IN A COUPLE OF MONTHS IT WILL BE RIGHT IN THE MIDDLE OF THE SHOT.

THIS IS A VIEW IN THE BASEMENT. BACK WALL BACK HERE IS A PGE VAULT. THIS WAS TAKEN ABOUT A WEEK AND A HALF AGO. TODAY THIS IS ALL FULLY CONCRETED IN. YOU CAN ALSO KIND OF SEE HERE SOME OF THE ELECTRICAL

CONDUIT THAT THEY ARE PUTTING IN, SO I LIKE IT NOW YOU CAN LOOK DOWN AND YOU CAN SEE WHERE THE ELECTRICAL ROOMS ARE. YOU CAN SEE THE CONDUITS COMING UP, WHERE THE BATHROOMS AND SHOWER ARE, YOU CAN SEE THE PIPING COMING UP. EVERY DAY IT'S A LITTLE BIT MORE. THAT'S THE GREAT THING ABOUT BEING ON SITE IS THE OPPORTUNITY TO EVERY DAY LOOK OUT AND I ALWAYS INVITE THE COMMISSIONERS AND STAFF ANY TIME YOU WANT TO COME TAKE A LOOK, MAYBE NOT CLIMB THE TOWER CRANE, BUT COME OVER AND TAKE A LOOK AT IT. I'M GOING TO DIGRESS.

Mr. Deschamps: ONE OTHER THING THAT WE'RE DOING IS THAT ON SEPTEMBER 27, 28 AND 29TH, THE PORTLAND FIRE DEPARTMENT IS GOING TO BE DOING A TRAINING OF A RESCUE FROM THE TOP OF THE TOWER CRANE. WE'RE ALWAYS ENGAGED WITH THE COMMUNITY, ALWAYS LOOKING FOR WAYS TO HELP. THEY APPROACHED US AND WE THOUGHT THAT'S GREAT. THEY ALSO WANT TO PRACTICE IN JEFFERSON STATION WHEN WE DO SOME WORK THERE BECAUSE THEY WANT TO KIND OF DO SIMULATE A RESCUE IN A BUILDING THAT PARTIALLY COLLAPSED, BEING DECONSTRUCTED BY HOFFMAN. I WILL NOW TURN IT OVER TO PAUL. PAUL SMITH WILL BE DOING THIS PART OF THE PRESENTATION.

Mr. Smith: WE WERE VERY FORTUNATE TO HAVE A GOOD DESIGN TEAM THAT MADE THEIR DIVERSITY GOALS. IN MY HISTORY IT'S THE FIRST TIME WE HAVE EVER MET THE GOAL ON THE DESIGN SIDE. THEY DID 19.1%, WHICH NORMALLY, THE GOAL WAS 15%. WITH THE FINAL BUYOUT OF THE PROJECT BY HOFFMAN, THEY ARE GOING TO EXCEED THEIR GOAL OF 20%. SO WE'RE IN GREAT SHAPE GOING FORWARD THERE. THROUGH THE NEXT PRESENTATIONS YOU'LL SEE MORE AND MORE OF THAT AS IT GOES FORWARD. WITH ALL THE WORK THE COUNTY HAS PUT IN, THE PROJECT LABOR AGREEMENT IS IN PLACE. THE COUNTY'S FUNDING SOME APPRENTICESHIP TRAINING PROGRAMS THROUGH PORTLAND YOUTH BUILDERS, CONSTRUCTION HOPE, OREGON'S TRADES WOMEN. YOU NEED APPRENTICES SO THIS WILL HOPEFULLY HELP SOLVE SOME PROBLEMS WE'LL GET INTO NEXT. WE EXPECT OVER 100 PEOPLE TO GO THROUGH THESE PROGRAMS AS THE PROJECT GOES ALONG. COMMUNITY OUTREACH, THERE WAS AN OPEN HOUSE, THE LAST OPEN HOUSE I BELIEVE THE PROJECT HAD IN JULY. WE HAD ALL SORTS OF ADVOCACY GROUPS THERE AND THEY DID COME UP WITH A COUPLE ISSUES THAT WE HAVE RESEARCHED AND SOLVED, SO WE'RE MOVING FORWARD THERE.

Mr. Deschamps: THE QUESTION CAME UP AROUND HEARING WHAT WE'RE DOING IN THE COURTROOMS. ALSO AROUND IF YOU'RE IN A WHEELCHAIR AND YOU CAME UP TO ONE OF THE TABLES IN THE COURTROOM, MAKE THEM ADJUSTABLE. IT'S ALWAYS USEFUL FOR US TO HAVE A VERY EXPERIENCED DESIGN TEAM BUT ENGAGING THE COMMUNITY, WE'RE NEVER DONE UNTIL WE'RE DONE. WE'RE NEVER DONE BECAUSE EVEN WHEN WE MOVE IN THE BUILDING THERE ARE GOING TO BE THINGS THAT COME UP AND FROM A

FACILITIES POINT OF VIEW WE ALWAYS HAVE TO BE LISTENING AND NIMBLE AND ENGAGING AND DOING WHAT WE NEED TO DO.

Chair Kafoury: I WANT TO THANK LIZ FOR PUTTING THAT TOGETHER AND BEING AWARE THAT SOME OF OUR COMMUNITY MEMBERS HAD A LOT OF CONCERNS AND YOU WERE ABLE TO HELP THEM FEEL BETTER ABOUT THE SITUATION. SO THANK YOU.

Mr. Deschamps: YES. LIZ DID A WONDERFUL JOB OF FACILITATING THAT MEETING. IT WAS GREAT TO HAVE, YOU KNOW, FROM SOMEONE FROM THE CHAIR'S OFFICE DO THAT SO IT WAS COMING FROM THE BOARD AS SOMETHING THAT THEY ARE LISTENING AND ENGAGING US TO DO. THANK YOU AGAIN, LIZ, FOR DOING THAT.

Mr. Smith: ONCE AGAIN WE THREW IN THIS GRAPHIC THAT CAME OUT OF SEATTLE'S TIMES. IT'S THE NUMBER OF TOWER RAINS THAT ARE AROUND AND SPECIFICALLY THE NUMBER IN THE NORTHWEST. AS YOU CAN SEE BY THE BUBBLES, SEATTLE AND PORTLAND, THEY SHARE CRAFT, THEY SHARE SUBCONTRACTORS. THEY SHARE EVERYTHING. THERE'S 80 THERE COMPARED TO THE OTHER POPULATIONS. PHOENIX IS CLOSE TO THAT SAME POPULATION AS SEATTLE AND PORTLAND BUT THEY HAVE, YOU KNOW, LESS THAN AN EIGHTH OF THE TOWER CRANES. THERE'S JUST AN AMAZING AMOUNT OF WORK IN THE NORTHWEST RIGHT NOW THAT HAS CREATED SOME ISSUES AS WE GO TO THE NEXT SLIDE, 2017 CONSTRUCTION MARKET, THE NEW NORM, THIS SAYS SHORTAGE OF SKILLED CONSTRUCTION WORKERS IN PORTLAND, SHOULD BE IN THE WHOLE COUNTRY, BUT ESPECIALLY IN THE NORTHWEST WE'RE SHORT. 10,000 OPEN CONSTRUCTION JOBS AS A SECOND ORDER, I WOULD ASSUME THAT'S HIGHER NOW. IT'S PROBABLY 1250 TO 1500 OPEN JOBS. THEY ARE LIKE J.D.'S PROJECT, WE'LL GO FROM 70, 80 CRAFT IN THE NEXT MONTH OR SO UP TO 800 AT ANY GIVEN TIME ON THE SITE. SO IT'S NOT GOING TO GET BETTER IN THE NEAR TERM. I THINK THAT'S PROBABLY ENOUGH FOR THIS SLIDE.

IT'S JUST ONE OF THOSE EVERYBODY I HAVE TALKED WITH FROM DENVER ON OVER WE'RE ALL IN THE SAME BOAT. ACTUALLY, THIS PROJECT SITS IN A BETTER LIGHT THAN THE OTHERS BECAUSE WE'RE A LITTLE OVER THE LAST BUDGET WE GAVE YOU BUT NOT COMPARED TO WHEN I TALK TO WASHINGTON COUNTY. MOST OF THOSE ARE COMING IN 30 TO 80% OVER. IT'S BEEN A STRUGGLE BUT THE TEAM HAS DONE A GREAT JOB THERE. DROPPING TO FUNDING SOURCES, BONNIE PLAQUE DID A GREAT JOB THERE. THE STATE HAS COMMITTED THE WHOLE 125 NOW IN THE THREE FUNDING SOURCES. COUNTY FUNDING, ONE TIME ONLY MONEY, I THINK THERE'S BEEN THREE OR FOUR PUT IN THERE. THEN WITH BRIDGE HEAD SALE WE'RE AT 74, BONDING FOR THE REMAINDER AND I'M SURE MARK WILL FILL YOU IN IN THE NEXT COMING WEEKS ON THAT.

Mr. Smith: I THINK THAT'S THE IMPORTANT THING TO NOTE, WITH THE SURCHARGE ON PARKING THAT FOR DEBT SERVICE ALWAYS HELPS TO KEEP EVERYTHING DOWN A LITTLE BIT. THE FINAL BUDGET THAT I BELIEVE YOU'RE LOOKING AT TODAY IS THE GUARANTEED MAXIMUM PRICE, IT'S BEEN A BATTLE, BUT IT'S 246,400, THEN WE HAVE A VERY GOOD CONTINGENCY ON THE PROJECT OF 13.5 AND THAT HOPEFULLY BRINGS THE BUDGET TO 324,500.

Mr. Deschamps: BACK TO ME. THIS WILL BE SORT OF A CONSTANT UPDATE EACH TIME WE COME THROUGH. THE GRAY IS THE FOUNDATION WORK HAS BEEN DONE. WE HAVE MOVED ON. THE STRUCTURE WORK HAS STARTED. SO BY APRIL OF 2018, NORMALLY ON STEEL BUILDINGS YOU HAVE THE CEREMONY AT THE ENDS WHERE YOU PUT A TREE ON THE ROOF. IT'S AN EVERGREEN, AND YOU CELEBRATE THAT THE BUILDING IS TOPPED OFF. YOU WILL ALL BE INVITED TO A TOPPING OFF CEREMONY. YOU WILL BE 320 FEET IN THE AIR, BUT WE'LL BE NICE AND SAFE. THE OTHER THING IS DECEMBER OF THIS YEAR THE FACADE WILL START TO COME UP AND WRAP THE BUILDING SO YOU'LL SEE THE FLOORS THEN GO, OKAY, WHEN DO THEY GET TO THE NEXT STEP? THEY START WRAPPING IT AND ONCE THE SPACE HAS BEEN CONDITIONED THEY CAN DO THE WORK ON THE INTERIORS. SOME OF THE ELECTRICAL, MECHANICAL WORK WILL BE GOING ON AS THEY ARE COMING UP, THEN GRAND OPENING IN THE SPRING OF 2020.

Chair Kafoury: APRIL. I'M GOING TO HOLD YOU TO THAT. [LAUGHTER]

Mr. Deschamps: SPRING OF 2020. YES. BOTH ARE SPRINGS. THE NEXT STEPS WILL BE NEXT THURSDAY. KEN ELLIOTT WILL BE HERE TO BRING THE GMP AMENDMENT FOR HOFFMAN FOR 246.4. THE TOTAL PROJECT BUDGET OF 324.5. WE WILL ALWAYS BE LOOKING AT OPPORTUNITIES TO LOWER RISK, REDUCE COST, NOT USING THE CONTINGENCY. MARK WILL BE TALKING NEXT WEEK ABOUT ISSUING OF THE BONDS FOR CONSTRUCTION. I'LL CONTINUE TO COME TO THE BOARD AND I THINK AS YOU KNOW I'M VERY CLOSE FOR EITHER ME TO COME VISIT OR FOR YOU TO COME TAKE A LOOK AT THE SITE, ASK QUESTIONS, MEET THE TEAM, ANYTHING THAT YOU'RE LOOKING FOR I'M THERE TO TRY TO GIVE YOU THE ANSWERS. THEN WE'LL BE COMPLETING OUR STRUCTURAL SYSTEM. ARE THERE ANY QUESTIONS?

Commissioner Stegmann: THANK YOU, CHAIR. COULD YOU JUST CLARIFY, SO WE'RE OVER BUDGET BECAUSE OF THE WORK FORCE SHORTAGE. HOW MUCH ARE WE OVER BUDGET AND CAN YOU OUTLINE COMPARE THAT TO OUR CONTINGENCY? THAT WILL GET ME STARTED.

Mr. Deschamps: SURE. OUR ORIGINAL BUDGET WAS 300 MILLION. WE SET THAT BACK TWO AND A HALF YEARS AGO.

Mr. Smith: 2015-16.

Mr. Deschamps: YES. SO IT IS PRETTY MUCH DRIVEN ENTIRELY BY THE MARKET. HOFFMAN TYPICALLY ON ANY PROJECT THEY GET SIX BIDS FOR THE SPRINKLER SYSTEM. THEY RECEIVED ONE. THEY WENT BACK OUT TO THE MARKET. THEY WENT TO WASHINGTON AND IDAHO, CALIFORNIA, AND EVERYONE ELSE WAS LIKE WE'RE ALREADY TOO BUSY. SO THEY COULDN'T GET ANYBODY TO BID. OUR ROOF. WE ONLY GOT ONE OR TWO BIDS ON THAT, SAME WITH THE WATERPROOFING. IT'S VERY HARD TO GET BECAUSE THERE'S A LOT OF WORK IN THE MARKET, YOU COULDN'T GET THAT. THE OTHER THING IS THAT AND IT GOES TO THAT 10,000 PEOPLE IN THE PRE-APPRENTICESHIP PORTION OF THE WORK, BECAUSE THERE'S A SHORTAGE YOU HAVE PEOPLE WHO WILL GIVE A HARD PRICE BUT THEY DON'T HAVE A LOT OF EXPERIENCED PEOPLE. SO WHAT USED TO TAKE THEM THREE WEEKS OR FOUR WEEKS TO SHEET ROCK A LARGER SPACE, IT COULD TAKE THEM FOUR, FOUR AND A HALF. THAT ADDS TIME AND MONEY. WE'RE TRYING TO MAXIMIZE OUR MINORITY PARTICIPATION SO WE WANT TO MAKE SURE WE DON'T HAVE SOMEBODY WHO COMES IN TOO AGGRESSIVE AND LOSES MONEY ON THE END. WE'RE TRYING TO MAKE SURE THAT WE'RE UTILIZING EVERYTHING THAT WE CAN DO.

Commissioner Stegmann: THE ORIGINAL BUDGET WAS 300 MILLION. REVISED IS 324, AND SO YOU'RE PROPOSING THAT WE ADD SOME PARKING AND TRAFFIC SURCHARGES?

Mr. Deschamps: THAT'S ALREADY BEEN DONE. THAT'S PASSED THE LEGISLATURE IN SHORT SESSION.

Commissioner Stegmann: THAT'S ALREADY IN PLACE. OKAY. SO THAT'S STILL A 24, 23 MILLION. HOW ARE WE COVERING THAT GAP?

Mr. Deschamps: MARK CAMPBELL CAN EXPLAIN. I'M SORRY, HE'S NOT HERE. WE'LL HAVE HIM TALK WITH YOU.

Chair Kafoury: I THINK THERE'S A MISUNDERSTANDING, THOUGH, ABOUT THE BUDGET. THE BUDGET UP UNTIL THIS POINT HAS BEEN A MORE OF A BACK OF THE NAPKIN GUESSTIMATE UNTIL YOU HAVE THE GNP, UNTIL WE HAVE DONE THE BIDS, WHICH IS WHY IT MAKES IT DIFFICULT, WE HAVE BEEN THROUGH THIS MANY TIMES WITH THESE PROJECTS WHERE YOU HAVE DREAMS AND ASPIRATIONS OF HOW MUCH A PROJECT IS GOING TO COST BUT UNTIL YOU ACTUALLY HAVE THE GNP, YOU DON'T KNOW. IT'S A MISNOMER. IF THE BUDGET INCREASES FROM HERE, IF WE GO THROUGH THE CONTINGENCY AND HAVE OTHER PROBLEMS THAT WOULD BE AN INCREASE IN THE BUDGET. THESE ARE THE HARD AND FAST NUMBERS. MARK SHOULD HAVE BEEN HERE THIS MORNING TO TALK ABOUT HOW WE WILL BE FINANCING THAT. I WILL HAVE THEM COME TO YOUR OFFICE AND DISCUSS THAT WITH YOU. HE CAN BRING THAT UP DURING OUR BOARD MEETING NEXT WEEK OR WHEN WE ARE VOTING.

Commissioner Stegmann: ONCE THE GNP IS ACCEPTED WE WON'T BE AFFECTED BY THIS WORK FORCE SHORTAGE?

Mr. Deschamps: WE WILL HAVE LOCKED IN ALL THE PRICES FROM HOFFMAN AND WE WILL BE SET.

Commissioner Stegmann: THANK YOU.

Chair Kafoury: ANY OTHER QUESTIONS OR COMMENTS?

Commissioner Smith: YES, THANK YOU, MADAME CHAIR. THANK YOU FOR COMING. WHEN I SEE YOU, J.D., IT MAKES ME FEEL SO GOOD WHEN I KNOW YOU'RE ON A PROJECT. I WAS PLEASSED TO SEE YOU'RE CLOSE TO MEETING OR EXCEEDING YOUR GOALS FOR CONTRACTORS FOR MINORITY AND WOMEN CONTRACTORS. BOTH ON THE DESIGN AND CONSTRUCTION SIDE. SO CAN YOU TELL ME A LITTLE BIT ABOUT THAT?

Mr. Deschamps: SURE. FOR THE DESIGN SIDE, COUPLE OF THINGS THAT WE DID IS THAT WE DID OPEN HOUSES HERE. WE DID A LOT OF OUTREACH, AND THE JEFFERSON STATION PORTION OF THE PROJECT WE MADE THAT 100% TO MINORITY FIRMS, SO IT WAS LED BY A WOMAN ARCHITECTURE FIRM. THERE WERE MINORITY ELECTRICAL, MECHANICAL, PLUMBING. WE MADE THAT ITS OWN STAND-ALONE PROJECT. IT'S REALLY GOOD FOR THEM BECAUSE THEY ARE PART OF A BIG PROJECT SO THEY GET TO PUT THAT ON THEIR RESUME. WE WANTED TO MAKE SURE THEY DIDN'T HAVE A WHOLE LOT OF RISK. SOMETHING MEATY, USEFUL FUN BUT PART OF A BIGGER PROJECT. WORKED WELL FOR THEM, THE COUNTY, AND IN THE MARKET RIGHT NOW I HAVE BEEN TALKING TO THE ARCHITECTS AND THEY ARE LIKE WE HAVE MADE A LOT OF NEW RELATIONSHIPS AND NEW FIRMS WE DIDN'T KNOW EXISTED. FAY BURKE WITH HOFFMAN WAS ABLE TO CONNECT THEM TO A FEW OTHERS. WE HAVE DONE ALL THESE OUTREACH EVENTS. I WAS AT ONE EVENT WHERE IT WAS A FIRM JUST STARTED, ELECTRICAL ENGINEERS. TURNS OUT MY NEIGHBOR WORKS THERE. THEY CAME BY, HOW DID WE GET THIS JOB? SHOW UP NEXT WEEK. I'LL GIVE YOU A CHANCE. AND THEY ARE ON THE TEAM. IT WORKED OUT.

Commissioner Smith: JUST IN TERMS OF OUR ECONOMIC CLIMATE, HOW ARE WE GOING TO DO ON THE WORK FORCE SIDE? I SEE THE TOTAL WORK FORCE SIDE FOR MINORITY JOURNEY LEVEL ARE BELOW 20% TARGET. WHAT WILL CHANGE THAT WILL HELP TO INCREASE THAT TO MEET THAT 20% GOAL FOR THE WORK FORCE SIDE?

Mr. Deschamps: THAT'S A GOOD QUESTION. THAT'S PART OF THE ADVANTAGE OF THE PLA, WITH THE LMCOC MEETING IT BRINGS EVERYBODY INTO THE ROOM. THE SUCCESS OF THAT IS NOT JUST WITH THE COUNTY, IT'S WITH ALL OF THE LABOR UNIONS, WITH HOFFMAN AND WITH THE COUNTY'S INVOLVEMENT. BY BRINGING THEM ALTOGETHER IT'S A JOINT EFFORT AND IT'S

BEEN INTERESTING THAT IF A NUMBER IS LOW, YOU CAN'T HAVE SOMEBODY SAY, WELL, I COULDN'T DO ANYTHING ABOUT IT, THE UNIONS ARE THERE TO SAY, WE'LL MEET AFTERWARDS AND I'LL WORK WITH YOU TO SOLVE THAT.

Commissioner Smith: YOUR SENSE IS BECAUSE OF OUR APPRENTICESHIP PROGRAM YOU CAN MEET THOSE GOALS?

Mr. Deschamps: YES. THE MONEY THE COUNTY INVESTED, 250,000, WILL REALLY HELP THAT TOO.

Commissioner Smith: I KNOW MARK IS NOT HERE, BUT DO YOU KNOW WHEN THE BONDS ARE GOING TO GO OUT?

Mr. Deschamps: HE'S COMING NEXT THURSDAY, SOON AFTER THAT HE WILL SELL THE FIRST SET OF BONDS THAN WILL BE FOR A PORTION OF THE COURTHOUSE. IT WILL BE ALSO FOR THE HEALTH DEPARTMENT HEADQUARTERS AND ERP. I DO A MONTHLY CHECK-IN WITH MARK. I'LL BE WATCHING THE SPEND CURVE, HOW MUCH OF THE CONTINGENCY WE HAVE USED AND MAYBE OTHER MONEY COMES AVAILABLE SO THAT HE WILL DO A SECOND BOND SALE AS WE DOWNTURN. ABOUT A YEAR AWAY.

Commissioner Smith: THAT WAS GREAT TO SEE THE STATE CAME IN WITH \$125 MILLION. DO THEY GIVE THAT TO US IN ONE BIG LUMP OR HOW DO WE GET THOSE RESOURCES?

Mr. Deschamps: THEY HAVE SOLD THE BONDS. WE HAVE THE MONEY FOR THE FIRST 15 MILLION. THEY SOLD THE BONDS FOR THE SECOND 15 MILLION AND WE'LL GET THAT IN INCREMENTS OVER THE NEXT THREE MONTHS.

Commissioner Smith: I'M TALKING ABOUT THE 125.

Mr. Deschamps: IT'S BROKEN INTO THREE PIECES. THE 15 MILLION WHICH WE ALREADY HAVE. CASH FROM THEM.

Commissioner Smith: BUT I THOUGHT THIS WAS ON TOP OF THE MONEY THAT THEY HAVE ALREADY GIVEN US.

Mr. Deschamps: 92.6. THEY WILL SELL THEIR BONDS IN MARCH OF 2019. THAT'S WHEN WE WILL BE GETTING THE MONEY.

Commissioner Smith: WE'LL GET THE WHOLE LUMP SUM? IT WON'T BE PIECEMEAL?

Mr. Deschamps: CORRECT.

Commissioner Smith: GREAT.

Chair Kafoury: I WILL HAVE MARK COME TO EACH OF YOUR OFFICES PRIOR TO DISCUSS FINANCES.

Vice-Chair Vega Pederson: THANK YOU, CHAIR. COMMISSIONER SMITH, I HAD ASKED THAT SAME QUESTION TO MARK VIA EMAIL. HE SAID THEY WERE JUST GOING TO BE INCORPORATING THE ADDITIONAL TRUE COST OF THE GNP IN THE TWO BOND SO WRAP IT UP IN PRESIDENT BONDING THAT WAS PLANNED ANYWAY. THE STATE MONEY THEY WERE GOING TO HAVE TO DO THE BOND ANYWAY BECAUSE OF WHEN WE GET TAKE STATE MONEY. YOU SAID THAT I'M VERY HAPPY FOR ALL OF THE FOLKS WHO ARE WORKING IN CONSTRUCTION JOBS, THAT THERE ARE SO MANY PROJECTS OUT THERE. I AM A LITTLE CONCERNED ABOUT THE LACK OF AVAILABLE WORK FORCE JUST BECAUSE THERE'S SO MANY JOBS OUT THERE. YOU SAID BECAUSE OF THE GNP IT WON'T INCREASE COSTS. COULD IT POTENTIALLY CAUSE TIME DELAYS IN THE PROJECT BECAUSE OF AVAILABILITY OF WORK FORCE?

Mr. Deschamps: THEORETICALLY IT COULD BUT THAT'S PART OF THE ADVANTAGE OF HAVING HOFFMAN, WHICH IS A LARGE PLAYER IN TOWN. ALSO I'M A BIT OF A SALESMAN. WHEN THE PEOPLE WERE BIDDING ON THE PROJECT I WENT THERE AND I SAID, NOW, YOU CAN WORK ON ALL THESE THINGS. THIS IS A LANDMARK BUILDING. DON'T YOU WANT TO TELL YOUR KIDS AS YOU DRIVE ACROSS THE HAWTHORNE BRIDGE YOU BUILT THAT? I'M GOING TO BE DOING A LITTLE BIT MORE SALESMAN, COME ON, THIS IS GOING TO BE A HISTORIC BUILDING. THIS IS GOING TO BE A BUILDING THAT PEOPLE ARE GOING TO DRIVE ACROSS THE BRIDGE OR BE IN WATERFRONT PARK AND GO, I BUILT THAT.

Chair Kafoury: I'VE HEARD A LOT OF THAT IN THE COMMUNITY. I THINK THERE'S A LOT OF EXCITEMENT AND INTEREST ABOUT THIS PROJECT. WE JUST HAVE TO BE CAREFUL. DON'T STEAL ANY WORKERS OFF OF THE HEALTH DEPARTMENT HEADQUARTERS. [LAUGHTER] WE HAVE TWO PROJECTS GOING ON RIGHT NOW.

Mr. Deschamps: THEY ARE DONE A YEAR BEFORE I AM. I'LL TAKE THEM THEN. HOW ABOUT THAT? SOME OF THE TRADE PARTNERS ARE ACTUALLY ON BOTH PROJECTS. I'LL LET BRETT TRAIN THEM UP THEN I'LL TAKE THEM TOWARDS THE END.

Chair Kafoury: THANK YOU. ANY OTHER QUESTIONS OR COMMENTS? ALL RIGHT. THANK YOU. I AM OBVIOUSLY NOT SURPRISED ABOUT THE GNP, NOT HAPPY ABOUT IT EITHER BUT I DO UNDERSTAND AND I THINK ACTUALLY COMPARED TO WHAT I'M HEARING ON OTHER PROJECTS AROUND WHICH IS SIMILAR, A LOT OF MY CONSTRUCTION FRIENDS ARE TELLING ME UP TO 80% PRICE ESCALATION ON SOME OF THESE. THAT IS AGAIN GOOD FOR THE PEOPLE WHO ARE OUT THERE WORKING BUT NORTH SO GOOD FOR US TRYING TO DO CONSTRUCTION PROJECTS. SO I KNOW THAT YOU HAVE YOUR EYE ON THE

BOTTOM LINE AND WILL CONTINUE TO LOOK TO KEEP COSTS DOWN BECAUSE WE ARE NOT MADE OF MONEY HERE.

Mr. Deschamps: ABSOLUTELY. THERE IS A NUMBER OF MEETINGS WHERE I HAVE TO JUST BE BAD COP AND MR. NO. WHEN I GET A SHRUG OR SOMETHING I GO I HAVE TO COME HERE, SIT DOWN IN THIS SEAT AND TALK TO THE CHAIR AND THE COMMISSIONERS. SO IF YOU GUYS WANT TO COME AND SIT IN THESE SEATS AND TRY TO EXPLAIN IT THEY ALL DO, I DON'T WANT YOUR JOB. GOOD TO KNOW. GET THAT PRICE DOWN.

Chair Kafoury: GOOD. EXCELLENT. THANK YOU. THANK YOU FOR COMING OUT OF RETIREMENT TO VISIT WITH US. ALWAYS A PLEASURE. [GAVEL]

ADJOURNMENT – 10:34 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:
Lynda J. Grow, Board Clerk and
Marina Baker, Assistant Board Clerk
Board of County Commissioners
Multnomah County, Oregon