

**Minutes of the Board of Commissioners
Multnomah Building, Board Room 100
501 SE Hawthorne Blvd., Portland, Oregon
Tuesday, October 17, 2017**

BOARD BRIEFING

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

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

B.1 Board Briefing on the Status of the Project Development for the Health Department Headquarters (HDHQ) Project. Presenters: Brett Taute, Facilities & Property Management and Steve Cruzen, Shiels Oblatz Johnsen, Inc.

Chair Kafoury: WE ARE GOING TO GET STARTED. I APOLOGIZE. COMMISSIONER STEGMANN RETURNED FROM KOREA AND IS ILL AND NOT HERE. COMMISSIONER MEIERAN WILL BE HERE WHEN SHE GETS HERE. UNTIL THEN YOU HAVE US. WE HAVE ABOUT 20 MINUTES. SO YOU'LL HAVE TO DO THE ABRIDGED VERSION.

Mr. Taute: GOOD MORNING, CHAIR KAFOURY, COMMISSIONER SMITH. BRETT TAUTE WITH FACILITIES AND PROPERTY MANAGEMENT, AND WITH ME IS STEVE CRUZEN. WE'RE HERE TO PROVIDE A BRIEFING ON THE HEALTH HEADQUARTERS PROJECT. SO GIVEN THE TIME WE'LL MOVE RIGHT INTO THAT. GOOD MORNING. THIS MORNING WE WANT TO TOUCH ON THE ENGAGEMENT TO DATE. WE HAVE INCLUDED OUR PARTICIPATION DASHBOARD. WE'LL SHARE THAT INFORMATION WITH YOU THIS MORNING. GIVE AN UPDATE ON OUR CONSTRUCTION PROJECT BUDGET AND SCHEDULE AND NEXT STEPS. PROJECT GOALS AND OBJECTIVES HAVE REMAINED CONSISTENT THROUGH THE PROJECT.

I'LL MOVE THROUGH THOSE. ENGAGEMENT, THE BOARD CERTAINLY MADE THE ACTION IN JUNE FOR APPROVING THE GMP AMENDMENT WITH OUR CMGS TO FINALIZE CONSTRUCTION OF THE GLADYS MCCOY BUILDING. WE CONTINUE OUR ENGAGEMENT WITH COMMUNITY PARTNERS AND THOSE ORGANIZATIONS. WE HAVE COUNTY PROJECT WEBSITE AND WE'RE IN REGULAR COMMUNICATIONS WITH OUR NEIGHBORS ABOUT THE CONSTRUCTION WHERE WE ARE IN THE CONSTRUCTION AND THOSE ACTIVITIES. SO THE WEBSITE HAS A LINK TO A LIVE CONSTRUCTION CAMERA IF YOU'RE INTERESTED IN TAKING A VIEW OF THAT.

NEXT REALLY WANTED TO TOUCH ON OUR DASHBOARD. IT'S OUR SMALL BUSINESS DASHBOARD. IT'S ABOUT TRACKING OUR GOALS AROUND 20% CONTRACTED VALUE WITH MWSDBESB FIRMS. THE OTHER PART OF DASHBOARD IS ABOUT WORK FORCE TRAINING -- GOOD MORNING, COMMISSIONER MEIERAN. SO IT'S REALLY ABOUT TRACKING THAT ON A MONTHLY BASIS. THIS IS A MONTHLY DASHBOARD AND THESE DASHBOARDS ARE POSTED TO OUR PROJECT WEBSITE. SO THEY ARE AVAILABLE THERE AS WELL. JUST TO WALK THROUGH THIS QUICKLY THIS MORNING, TO SHARE THAT INFORMATION AND WHAT WE'RE TRACKING WE HAVE 20% CONTRACTING GOAL WITH MWBSBE FIRMS ON THE CONTRACT. WE'RE CURRENTLY AT 11.4%. IF YOU NOTICE THE BAR GRAPH AT THE BOTTOM YOU'LL SEE A STEADY INCREASE IN THAT. THIS IS THE REPRESENTATIVE OF THE CONTRACTS THAT ARE ACTUALLY WRITTEN AND EXECUTED. WE ARE ON TRACK TO ACHIEVE OUR 20% GOAL FOR THIS PROJECT, SO YOU'LL SEE IN OUR MONTHLY REPORTING AS WE MOVE FORWARD THAT BAR WILL CONTINUE TO GET HIGHER AND WE'LL HAVE GREATER PERCENTAGE. THE PIE GRAPHS SHOW PROGRESS ON THIS PARTICULAR PAGE SHOWS A BREAKDOWN OF THE CERTIFIED FIRMS AND BASED ON ETHNICITY OF THE FIRMS OR THE CERTIFICATION THAT THEY HAVE BE IT A WOMEN OWNED FIRM, MINORITY OWNED OR EMERGING SMALL BUSINESS.

Mr. Taute: THE NEXT SLIDE GETS INTO OUR WORK FORCE. ON THIS PROJECT WE HAVE OUR GOAL OF 20% APPRENTICESHIP BY TRADE. ALSO WITH OUR PLA WE HAVE OTHER GOALS RELATED TO JOURNEY LEVEL WORKERS AS WELL AS TO APPRENTICE LEVEL WORKERS. WITH THE JOURNEY LEVEL WE HAVE A GOAL OF 6% PARTICIPATION BY WOMEN AND A GOAL OF 20% PARTICIPATION BY MINORITIES. IN THE APPRENTICESHIP LEVEL WE HAVE A GOAL TARGET OF 25% WOMEN AND 20% MINORITY. YOU'LL SEE AT THE BAR GRAPHS AT THE BOTTOM ARE THE REPRESENTATIVE OF THE LEFT HAND BAR GRAPH IS THE JOURNEY LEVEL AND THE RIGHT HAND BAR GRAPH IS THE APPRENTICE LEVEL. ON THE LEFT HAND WE'RE ABOVE OUR TARGET IN THE JOURNEY LEVEL FOR WOMEN PARTICIPATION. WE HAVE APPROACHING OUR TARGET IN THE MINORITY PARTICIPATION.

AGAIN ON JOURNEY LEVEL. ON THE APPRENTICE LEVEL WE'RE EXCEEDING OUR GOAL WITH THE WOMEN PARTICIPATION AND ALSO EXCEEDING IN THE MINORITY PARTICIPATION. ONE THING THAT I WANTED TO SHARE ABOUT THIS PARTICULAR SET OF DATA, THIS IS CUMULATIVE, SO UP UNTIL NOW THIS IS AGAIN A REPORT TO AUGUST OR THROUGH AUGUST AND SO THE WORK THAT WAS PERFORMED THROUGH THAT WAS PRE-CONSTRUCTION AND THE FOUNDATION WORK. SO AS THE PROJECT CONTINUES WE'LL CERTAINLY HAVE MORE WORKERS ON SITE AND SO WE WILL SEE THESE PERCENTAGES REACT TO THAT JUST HAVING MORE WORKERS ON SITE BUT SNAPSHOT IN TIME, THIS IS WHERE WE ARE IN RESPECT TO THOSE GOALS.

THIS IS A BREAKDOWN AGAIN TRACKING THAT GOAL BY TRADE AND SO IT SHOWS THE THREE COLORED BARS ON HERE ARE THE LAST THREE MONTHS OF REPORTING, SO IT SHOWS A TREND LINE AND THEN AFTER THAT QUARTER IT WILL RESET. THIS SHOWS GENERALLY THAT OTHER THAN IN LABORERS AND THE PLUMBER PIPE WE ARE MEETING OUR 20% APPRENTICESHIP GOAL AND AGAIN, AS MORE WORKERS AND PARTICULAR TYPES OF WORK THAT TRADES ARE INVOLVED IN WE CERTAINLY WILL SEE THAT AND EXPECT THAT TO RAISE ABOVE 20% FOR EACH TRADE.

Mr. Taute: THE FINAL SLIDE IS AN AGGREGATE BREAKDOWN. IT'S A MALE WORK FORCE BY ETHNICITY AND FEMALE WORK FORCE BY ETHNICITY. THIS IS FOR ALL WORKERS ON THE SITE AND THIS IS JUST ANOTHER MEANS OF SHARING THAT INFORMATION. SO WE WILL CONTINUE TO TRACK THIS. CONTINUE TO REPORT OUT ON A MONTHLY BASIS. JUST TO SHARE THAT THIS IS ACTUALLY OUR REPORTING MECHANISM WE USE AT OUR LABOR MANAGEMENT COMMITTEE OVERSIGHT COMMITTEE ON A MONTHLY BASIS. THAT IS REALLY SET TO AID THE PROJECT AND CERTAINLY BE A RESOURCE FOR THE PROJECT IN MEETING THESE GOALS AND CERTAINLY RAISING PARTICIPATION TO THE GREATEST PERCENT POSSIBLE. SO WITH THAT WE'LL MOVE ON TO THE CONSTRUCTION UPDATE. THANK YOU.

Mr. Cruzen: THANKS. GOOD MORNING, MADAME CHAIR, COMMISSIONER SMITH, COMMISSIONER MEIERAN, THANK YOU FOR THE OPPORTUNITY TO REPORT. I'M STEVE CRUZEN, THE OWNER'S REPRESENTATIVE FOR THE PROJECT. WE HAVE STARTED CONSTRUCTION IF YOU'LL RECALL IN MID FEBRUARY WITH THE FOUNDATION WORK. WE RECEIVED OUR FULL BUILDING PERMIT IN EARLY AUGUST. WE HAVE COMPLETED ALL THE MASS EXCAVATION AND FOUNDATION WORK TO DATE. WE BEGAN THE INSTALLATION OF THE STRUCTURAL STEEL SUPERSTRUCTURE IN MID-SEPTEMBER. THAT IS PROGRESSING VERY RAPIDLY. WE HAVE AS OF TODAY STEEL STRUCTURE UP TO AND INCLUDING THE 6TH FLOOR METAL DECK.

WE WILL COMPLETE THE SUPERSTRUCTURE IN ABOUT MID DECEMBER. WE HAVE INSTALLED A COMPLETE OVERHEAD PROTECTION SYSTEM IN THE COURTYARD AREAS AND ADJACENT SPACES AT BUD CLARK COMMONS TO KEEP THE PUBLIC SAFE, AND WE HAVE BEEN WORKING VERY CLOSELY WITH BOTH BUD CLARK COMMONS AND HOME FORWARD IN SOLVING LITTLE PROBLEMS WITH ACCESS. SECURITY AND THOSE KINDS OF THINGS. THEY HAVE BEEN A VERY GOOD PARTNER AND WE HAVE NO SIGNIFICANT ISSUES THAT WE'RE TRACKING IN THAT REGARD. SO HERE ARE SOME PHOTOGRAPHS STARTING SEVERAL MONTHS AGO.

THESE ARE PICTURES OF THE FOUNDATION WORK INCLUDING THE SUB GRADE ELECTRICAL EQUIPMENT VAULTS SIDEWALKS ALONG IRVING SHOWN IN THIS PICTURE. THIS IS THE BEGINNING OF THE STEEL SUPERSTRUCTURE. SOME DETAILS OF ALL OF THIS WORK. THOSE ANGULAR BRACES ARE PART

OF OUR SEISMIC SYSTEM FOR STIFFENING THE BUILDING OR SEISMIC REQUIREMENT.

Mr. Taute: ALL I WANT TO IN THIS PARTICULAR IMAGE JUST WANTED TO SHARE WE HAVE THE FORTUNE OF USING BLOCK R AS STAGING. THIS IS REPRESENTATIVE OF PARTICULARLY WITH THIS STEEL INSTALLATION WE'RE ABLE TO BRING THE STEEL ON SITE, SORT IT, PREPARE IT TO GO OVER INSTEAD OF DELIVERING IT IN THE STREET, THINGS OF THAT NATURE. WE HAVE BEEN VERY FORTUNATE. CERTAINLY BEEN A BENEFIT TO THE PROJECT IN OUR PROGRESS.

Mr. Cruzen: THIS PHOTO IS ABOUT A WEEK OLD. IT'S CHANGED EVEN SINCE THIS POINT. THOSE CONCRETE SLABS WILL BE THE FIRST ELEVATED SLAB WILL BE POURED THIS WEEK AND CONSTRUCTION IS JUST MOVING ALONG VERY WELL. IN FACT SO ON THE BUDGET, THIS SPREADSHEET ILLUSTRATES WHAT WAS REPORTED LAST TIME WE WERE HERE IN JUNE. WE SET THE BUDGET AT 94.1 MILLION. WE REMAIN ON BUDGET AT THIS TIME WITH ABOUT A 7.5% CONSTRUCTION CONTINGENCY. AND I DON'T KNOW IF WE HAVE ANY UPDATES TO THE FUNDING SOURCES. THAT'S A REPORT THAT WE HAVE SHOWN CONSISTENTLY IN PAST REPORTS. THIS ILLUSTRATES WHERE WE ARE ON SCHEDULE. WE ARE ON SCHEDULE. WE CONTINUE TO MAINTAIN THE SCHEDULE WITH EXPECTED OPENING THE FIRST QUARTER OF 2019. ONE OTHER THING IN TERMS OF A MILESTONE, THAT IS THAT WE'RE EXPECTING TO TOP OUT THE STEEL STRUCTURE IN APPROXIMATELY MID DECEMBER AND WE'RE WORKING ON A SMALL CELEBRATION FOR THAT ACTIVITY. THAT'S IT.

Chair Kafoury: HOPEFULLY IT WON'T HAVE A SIMILAR OUTCOME TO THE GROUNDS BREAKING OF DECEMBER THIS YEAR WHERE WE HAD A BIG SNOWSTORM. WE WERE ALL TRAPPED. [LAUGHTER]

Mr. Cruzen: IF THERE WAS A WAY I COULD DO SOMETHING ABOUT THAT LAPSE.

Chair Kafoury: WOULD YOU DO SOMETHING ABOUT THAT, PLEASE? THANK YOU.

Mr. Taute: NEXT STEPS, AS STEVE MENTIONED, ARE CERTAINLY COMPLETION OF OUR STEEL STRUCTURE. THAT WILL BE IN MID DECEMBER. WE WILL HAVE A TOPPING OUT EVENT HELD AT THAT TIME. CELEBRATE THAT FINAL MEMBER STEEL BEAM BEING PLACED INTO THE STRUCTURE OF THE BUILDING. WE'RE CONTINUING OUR LABOR MANAGEMENT COMMITTEE OVERSIGHT INVOLVEMENT ON A MONTHLY MEETING. WE WILL CONTINUE REPORTING ON THE DASHBOARD, THE INFORMATION THAT WE SHARED TODAY AND UPDATING THAT ON A MONTHLY BASIS. WE ARE FORMING AND HAVE BERN FORMING FURNISHINGS, EQUIPMENT AND CERTAINLY

COORDINATING OUR MOVE-IN WHEN WE GET TO THAT POINT. CONTINUOUS OPPORTUNITY FOR LOWER RISKS REDUCE COSTS AND THAT CONTINUES THROUGH THE LIFE OF THE PROJECT WE'LL CONTINUE OUR BRIEFINGS SUCH AS THIS AND ULTIMATELY WITH COMPLETION THE GLADYS MCCOY HEADQUARTERS. ANY QUESTIONS?

Commissioner Meieran: I WANT TO THANK YOU FOR YOUR PRESENTATION AND ALSO FOR GOING EXTENSIVELY THROUGH THIS WITH ME YESTERDAY -- WAS IT JUST YESTERDAY? TIME FLIES. BUT YOU DID SUCH AN EXCELLENT JOB OF NOT JUST PRESENTING THE INFORMATION ITSELF, BUT PROVIDING US THE INFORMATION ABOUT THE CONSTRUCTION ITSELF BUT ALSO GOING INTO A LOT OF DETAIL. I HAD A LOT OF QUESTIONS ABOUT -- THIS HAS TO BE DEVELOPED INTO A NEW ACRONYM THAT CAN JUST BE SAID EASILY.

Chair Kafoury: CERTIFIED. YOU COULD SAY THAT. [LAUGHTER]

Commissioner Meieran: THANK YOU. MUCH BETTER. THANK YOU. I HAD A LOT OF QUESTIONS ABOUT THAT ALL OF WHICH YOU ANSWERED AND HAVE THAT KNOWLEDGE AT YOUR FINGERTIPS. CLEARLY THIS IS AN EXTREMELY IMPORTANT ASPECT OF THE WORK BEING DONE AND YOU ARE BEING VERY, VERY ATTENTIVE TO IT. THEN ALSO FOR THE RECORD I APPRECIATED YOUR EXPLANATION. THERE WAS LIKE SOMETHING IN THE MINUTES I HAD READ ABOUT LIQUIDATED DAMAGES FOR ONE OF THE SUBCONTRACTORS' SPECIFIC FOUNDATIONS. ALSO THAT YOU COMPLETELY ADDRESSED AND ANSWERED AND SO I JUST APPRECIATE THAT.

Commissioner Smith: MADAME CHAIR, THANK YOU. I WANT TO THANK YOU FOR GIVING US THIS PRESENTATION. KEEPING UP TO SPEED. ONE OF THE THINGS I NOTICED ON THE DASHBOARD IN TERMS OF WORK FORCE THAT THERE WAS ZERO PERCENT PARTICIPATION AMONG AFRICAN-AMERICAN WOMEN. WHAT DO YOU ATTRIBUTE THAT TO?

Mr. Taute: I THINK TO THE POINT THAT AS WE BRING ADDITIONAL WORKERS ON TO THE SITE I THINK WE'LL HAVE MORE OPPORTUNITY. THAT'S CERTAINLY SOMETHING WE HAVE CALLED TO THE ATTENTION OF OUR CMPC, WORKING WITH THEM AND OUR OVERSIGHT COMMITTEE WE'LL BE LOOKING AT HOW TO INCREASE THAT PARTICIPATION. TYPICALLY WHAT DO I ATTRIBUTE IT TO? I WILL HAVE TO ASK OUR CMPC AND GET BACK TO YOU. IT'S AVAILABILITY IN THE WORK FORCE.

Commissioner Smith: ARE WE WORKING WITH THE WOMEN IN TRADES TO DO SOMETHING ABOUT THAT?

Mr. Taute: WE ARE. WITH THIS PROJECT AS WELL AS WITH THE COURTHOUSE PROJECT WE HAVE A GRANT PROGRAM THROUGH CAUSE. WE HAVE PRE-APPRENTICESHIP GRANT DOLLARS GOING TO THE WOMEN IN TRADES.

OREGON TRADES WOMEN. THE PORTLAND YOUTH BUILDERS AS WELL AS CONSTRUCTING HOPE. WE'RE REALLY WORKING WITH THOSE GROUPS ON DEVELOPING PRE-APPRENTICESHIP THEN WORKING ON BRINGING THEM INTO THE PROJECT AS WELL. GRADUATES FROM THOSE PROGRAMS.

Commissioner Smith: I WANT TO CALL PAT DANIELS AT CONSTRUCTING HOPE AND SAY WHAT'S GOING ON WITH THIS.

Mr. Taute: SURE.

Commissioner Smith: ONE OF THE THINGS I DO HAVE TO NOTE THAT WE ARE NEXT TO SAN FRANCISCO. WE HAVE 22 CRANES UP HERE IN PORTLAND. I MEAN I THINK THAT'S A RECORD NUMBER. SO I KNOW THAT A LOT OF THE PUBLIC PROJECTS THEY ARE TRYING TO MEET THEIR OWN GOALS OF MWESBS AND I ASSUME THAT THAT IS PART OF THE REASON WHY WE CAN'T, YOU KNOW, FILL SOME OF THOSE SPOTS BECAUSE OF THAT. IT'S A GOOD PROBLEM TO HAVE.

Mr. Taute: IT IS.

Commissioner Smith: NOT FOR LACK OF TRYING, RIGHT?

Mr. Taute: NOT FOR LACK OF TRYING AND WE'LL CONTINUE TO DO WHAT WE CAN TO INCREASE THAT.

Chair Kafoury: THANKS FOR COMING TODAY AND GIVING US AN UPDATE. IT'S ALWAYS A PLEASURE TO SEE YOU AND HEAR THE GOOD NEWS. OF COURSE WE LOVE THE PICTURES. SEEING NO FURTHER BUSINESS WE'RE ADJOURNED. [GAVEL]

ADJOURNMENT – 10:24 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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