

Willamette Falls

◦ LEGACY PROJECT ◦

PARTNERS GROUP QUARTERLY MEETING AGENDA

July 31, 2019

8:30 – 9:30 A.M.

Tumwater Ballroom

Museum of the Oregon Territory

211 Tumwater Drive

Oregon City, OR 97045

Time	Topic	Lead Presenter
8:30 – 8:40 A.M.	Welcome & Introductions	Chair, Mayor Dan Holladay
8:40 – 9:20 A.M.	Willamette Falls Legacy Project General Updates	Brian Moore, Metro
9:20 – 9:30 A.M.	Partners Updates and Closing	Chair, Mayor Dan Holladay

Note: Public testimony will not be heard at this meeting; however, the Willamette Falls Legacy Project always accepts written comments. Email info@willamettefallslegacy.org

Southwest corner of Blue Heron property



Recovery Boiler Building

Boiler Building

Stock Cylinder

Mill H Reject Building

Clarifier

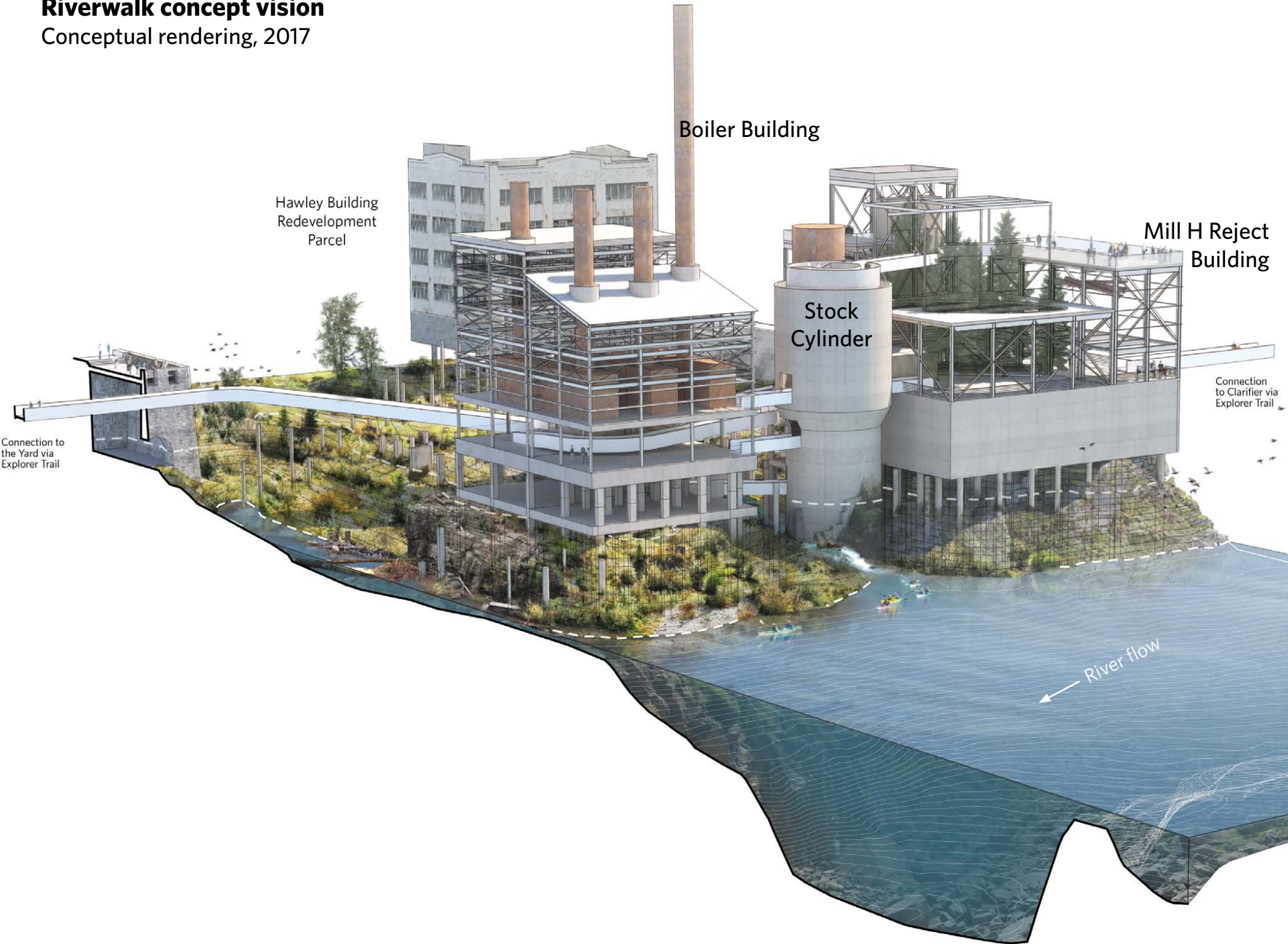
PGE dam

Public Yard

← River flow

Riverwalk concept vision

Conceptual rendering, 2017



Hawley Building
Redevelopment
Parcel

Boiler Building

Stock
Cylinder

Mill H Reject
Building

Connection to
the Yard via
Explorer Trail

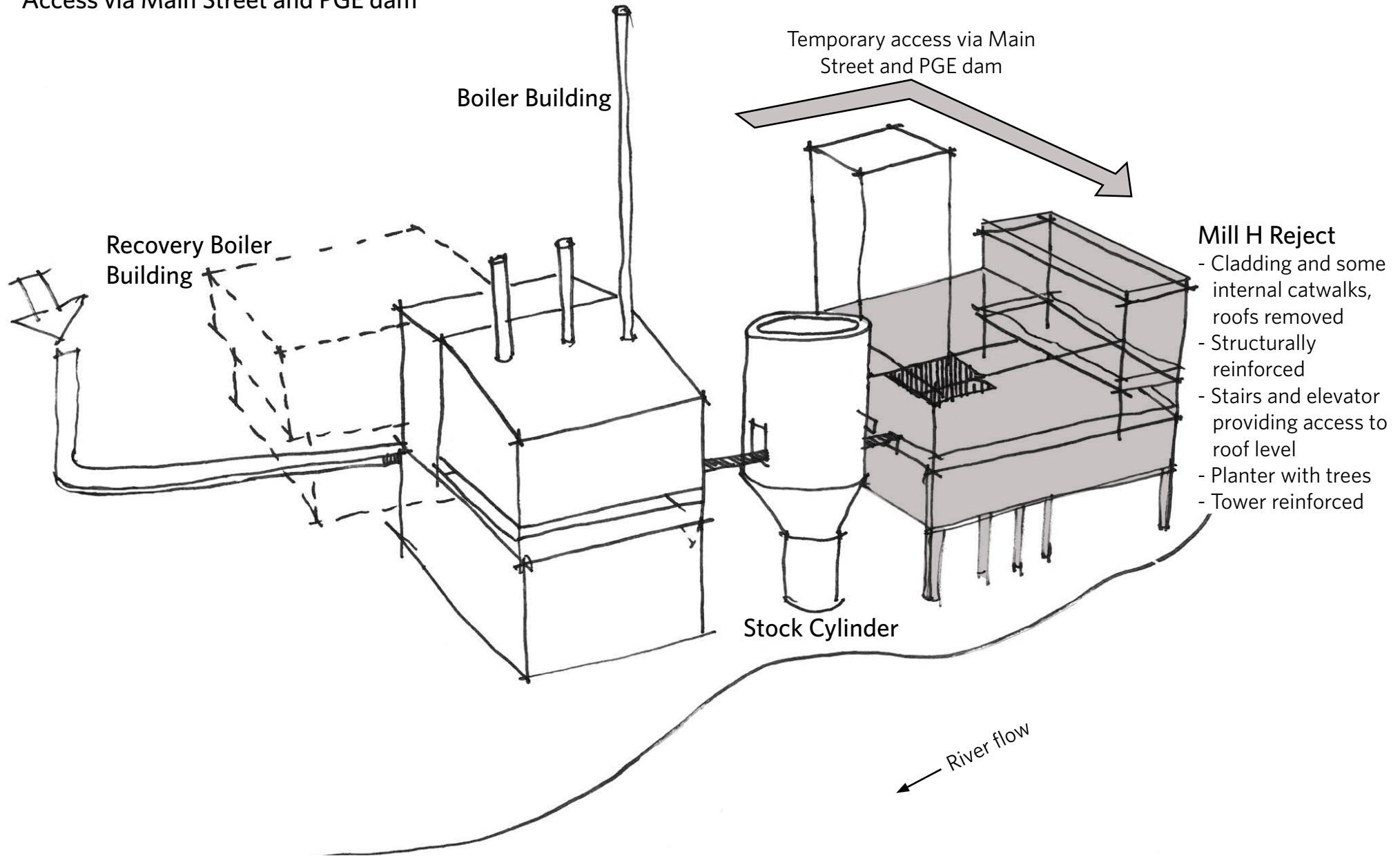
Connection
to Clarifier via
Explorer Trail

River flow

Phase 1, Part A

Mill H Reject Building

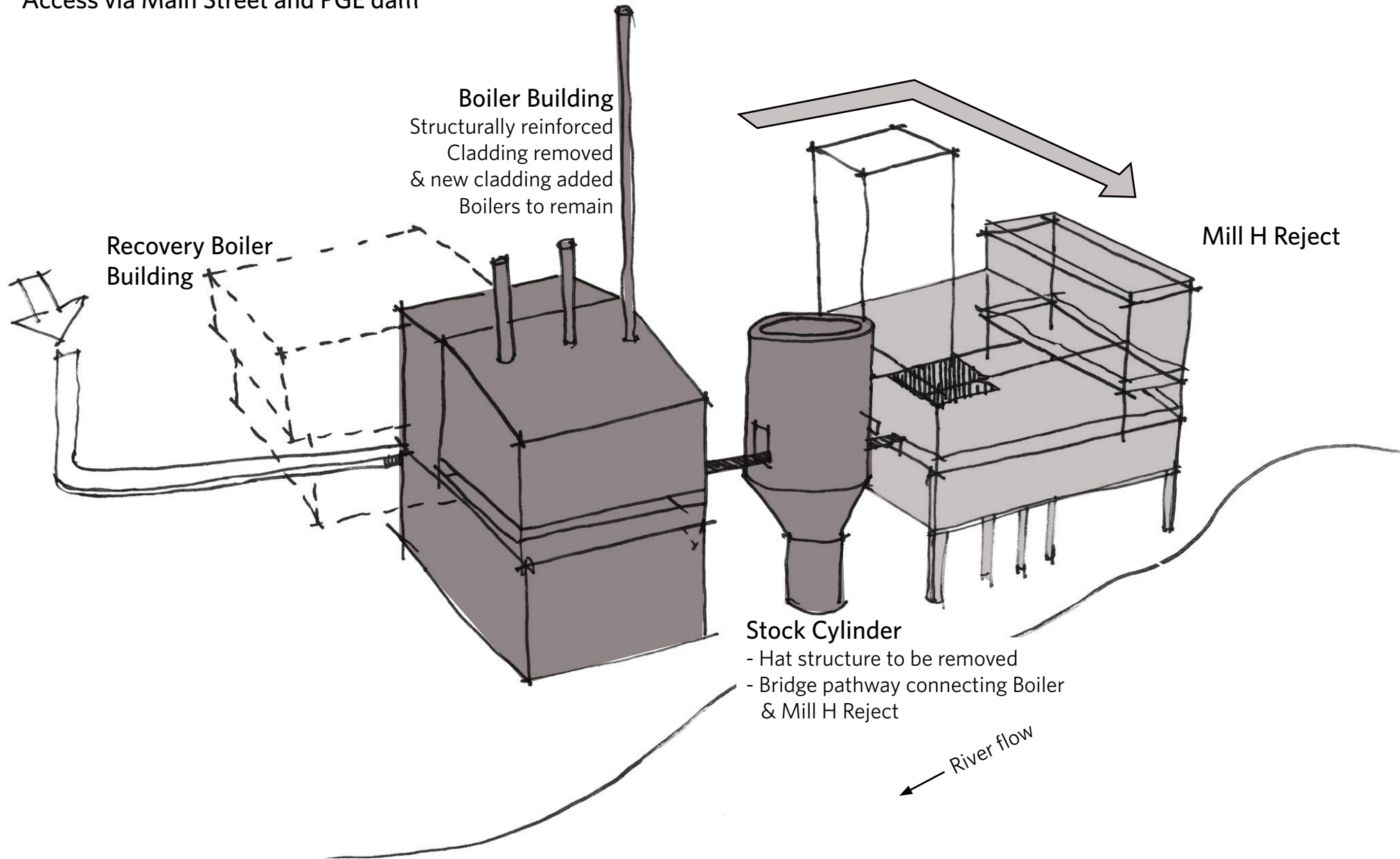
Access via Main Street and PGE dam



Phase 1, Part B

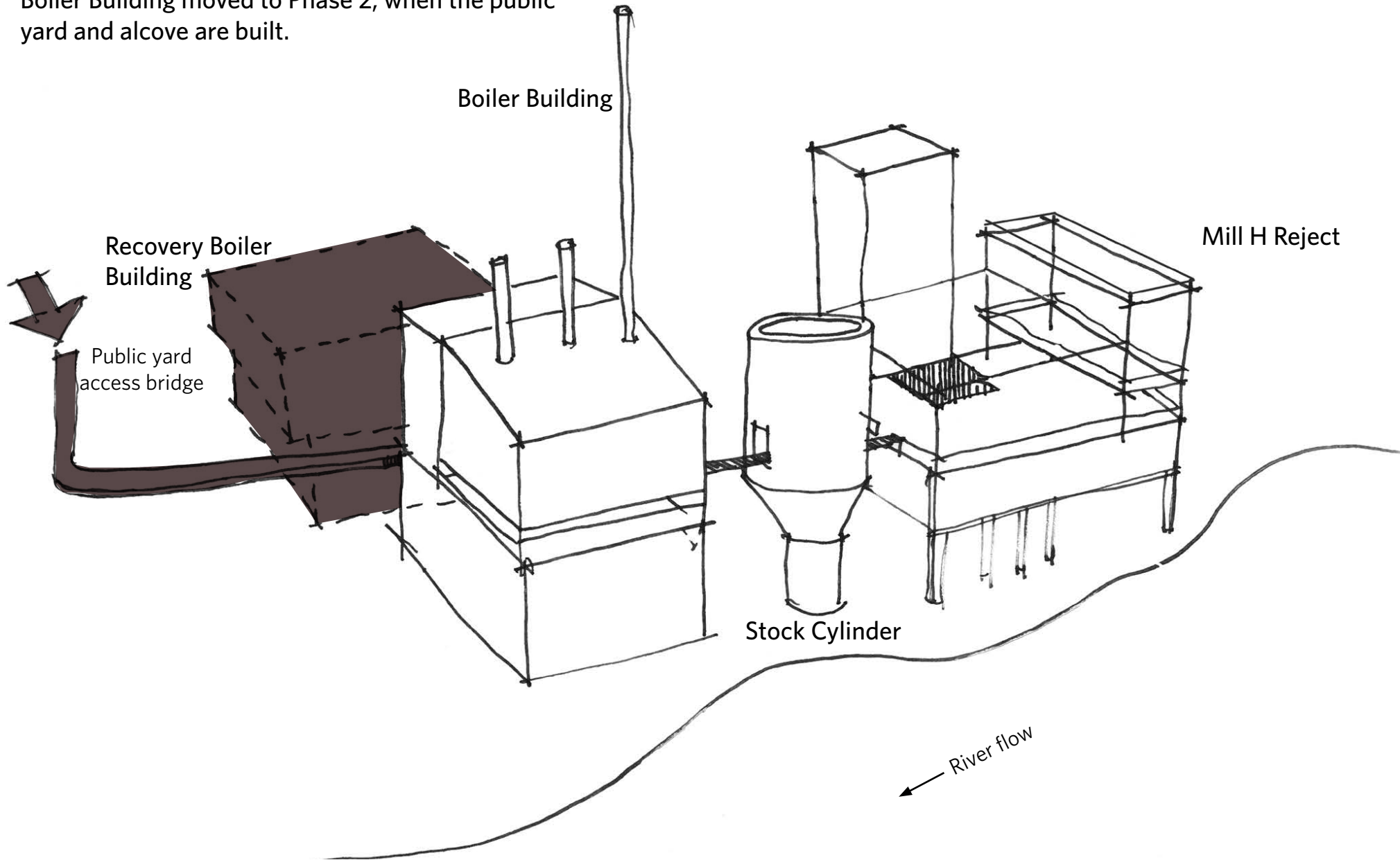
Includes stock cylinder and Boiler Building

Access via Main Street and PGE dam



Phase 2

Bridge connection and demolition of the Recovery Boiler Building moved to Phase 2, when the public yard and alcove are built.



USES Contracts or Work Scopes	FY 17/18 - 18/19 Budget	SOURCES																											
		State		Metro				Clackamas County		Oregon City								RTF		Falls Legacy LLC									
		Lottery Bonds		NA Bond		General Fund		EPA Grant	Ec Dev Budget		CPDG Grant		NA Local Share		NIN Grant	Urban Renewal/ED		General Fund		Public Works		Park SDCs		Fundraising		CPDG Grant Match		Easement	
		FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	
WFLP TAC																													
Friends Group	\$200,000					\$50,000			\$50,000									\$50,000	\$50,000										
Federal and State Lobbying	\$0																												
Communications	\$210,000			\$100,000	\$100,000													\$5,000	\$5,000										
Unallocated	\$15,000																		\$15,000										
Subtotal	\$425,000	\$0	\$0	\$100,000	\$100,000	\$50,000	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$55,000	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
RIVERWALK																													
Construction Drawings	\$2,148,514	\$250,000		\$412,536									\$200,000					\$27,500		\$65,000		\$85,804	\$64,196	\$1,043,478					
Site Survey	\$100,000			\$100,000																									
Archeological Support	\$160,000			\$100,000	\$50,000													\$10,000											
Cost Estimating	\$55,000			\$55,000																									
Bidding	\$72,000			\$36,000	\$36,000																								
Construction Contingency	\$1,113,750	\$150,000	\$963,750																										
Technical Studies	\$142,823			\$120,323														\$22,500											
Operations and Maintenance Plan																													
Pre-Const. Habitat Restoration	\$17,500			\$17,500																		\$100,000							
Brownfield Remediation Plan	\$300,000			\$100,000				\$200,000																					
Materials and Supplies	\$32,000			\$12,000														\$20,000											
Permitting	\$225,000	\$200,000		\$25,000																									
Construction	\$9,082,772	\$400,000	\$5,461,250															\$35,000		\$30,000				\$2,956,522		\$100,000	\$100,000		
Staffing: PM	\$600,000			\$300,000	\$300,000																								
Staffing: Communications	\$208,000			\$104,000	\$104,000																								
Staffing: Oregon City	\$0																												
Owner Contingency	\$704,740			\$364,196	\$340,544																								
Subtotal	\$14,962,099	\$1,000,000	\$6,425,000	\$1,746,555	\$830,544	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0	\$60,000	\$55,000	\$65,000	\$30,000	\$185,804	\$64,196	\$1,043,478	\$2,956,522	\$0	\$0	\$100,000	\$100,000
INFRASTRUCTURE																													
99E Tunnel Improvements	\$250,000																			\$125,000	\$125,000								
Railroad Ave ROW Acquisition	\$41,300																			\$41,300									
Development Strategy	\$611,300											\$215,000														\$396,300			
McLoughlin-Canemah Trail Plan	\$30,000													\$25,000			\$5,000												
Staff: Development Strategy Lead	\$80,000											\$80,000																	
Unallocated Funds/Contingency	\$85,000								\$50,000							\$25,000	\$10,000												
Subtotal	\$1,097,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0	\$295,000	\$0	\$0	\$0	\$25,000	\$0	\$15,000	\$0	\$166,300	\$125,000	\$0	\$0	\$0	\$0	\$396,300	\$0	\$0	\$0	
ECONOMIC DEVELOPMENT																													
Ec Dev Staff Contract	\$50,000								\$50,000																				
Subtotal	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Grand Total	\$16,534,699	\$1,000,000	\$6,425,000	\$1,846,555	\$930,544	\$50,000	\$0	\$200,000	\$150,000	\$0	\$295,000	\$0	\$200,000	\$0	\$25,000	\$0	\$130,000	\$125,000	\$231,300	\$155,000	\$185,804	\$64,196	\$1,043,478	\$2,956,522	\$396,300	\$0	\$100,000	\$100,000	
		\$7,425,000		\$3,027,099				\$150,000		\$1,411,300								\$4,000,000		\$596,300									

NOTES: Budget reflects carryover from the previous budget period as well as new allocation. New sources such as grants and unanticipated fundraising will be reflected in future budget updates.

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**WILLAMETTE FALLS LEGACY PROJECT SOURCES AND USES
FY 2017-2018 THROUGH FY 2018-2019**

IGA BUDGET

USES Contracts or Work Scopes	FY 17/18 - 18/19 Budget	FY 17/18 - 18/19 Expenses	FY 17/18 - 18/19 Remaining Funds	SOURCES																												
				State		Metro				Clackamas County		Oregon City										RTF		Falls Legacy LLC								
				Lottery Bonds		NA Bond		General Fund		EPA Grant	Ec Dev Budget		CPDG Grant		NA Local Share		NIN Grant	Urban Renewal/ED		General Fund		Public Works		Park SDCs		Fundraising		CPDG Grant Match		Easement		
				FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	FY 17/18	FY 18/19	
WFLP TAC																																
Friends Group	\$300,000	\$300,000	\$0					\$50,000	\$50,000			\$50,000	\$50,000									\$50,000	\$50,000									
Federal and State Lobbying	\$0	\$0	\$0																													
Communications	\$210,000	\$11,979	\$198,021			\$100,000	\$100,000															\$5,000	\$5,000									
Unallocated	\$15,000	\$0	\$15,000																				\$15,000									
Subtotal	\$525,000	\$311,979	\$213,021	\$0	\$0	\$100,000	\$100,000	\$50,000	\$50,000	\$0	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$55,000	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0				
RIVERWALK																																
Construction Drawings	\$2,148,514	\$649,680	\$1,498,834	\$250,000		\$412,536										\$200,000				\$27,500		\$65,000		\$85,804	\$64,196	\$1,043,478						
Site Survey	\$100,000	\$0	\$100,000			\$100,000																										
Archeological Support	\$160,000	\$21,708	\$138,292			\$100,000	\$50,000															\$10,000										
Cost Estimating	\$55,000	\$0	\$55,000			\$55,000																										
Bidding	\$72,000	\$0	\$72,000			\$36,000	\$36,000																									
Construction Contingency	\$1,113,750	\$0	\$1,113,750	\$150,000	\$963,750																											
Technical Studies	\$142,823	\$99,949	\$42,874			\$120,323																\$22,500										
Operations and Maintenance Plan	\$100,000	\$0	\$100,000																						\$100,000							
Pre-Const. Habitat Restoration	\$17,500	\$1,775	\$15,725			\$17,500																										
Brownfield Remediation Plan	\$300,000	\$213,999	\$86,001			\$100,000			\$200,000																							
Materials and Supplies	\$32,000	\$15,951	\$16,049			\$12,000																\$20,000										
Permitting	\$225,000	\$437	\$224,563	\$200,000		\$25,000																										
Construction	\$9,082,772	\$0	\$9,082,772	\$400,000	\$5,461,250																	\$35,000	\$30,000				\$2,956,522	\$100,000	\$100,000			
Staffing: PM	\$600,000	\$599,295	\$705			\$300,000	\$300,000																									
Staffing: Communications	\$208,000	\$208,000	\$0			\$104,000	\$104,000																									
Staffing: Oregon City	\$0	\$0	\$0																													
Owner Contingency	\$704,740	\$33,344	\$671,396			\$364,196	\$340,544																									
Subtotal	\$15,062,099	\$1,844,138	\$13,217,961	\$1,000,000	\$6,425,000	\$1,746,555	\$830,544	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$60,000	\$55,000	\$65,000	\$30,000	\$185,804	\$64,196	\$1,043,478	\$2,956,522	\$0	\$0	\$100,000	\$100,000
INFRASTRUCTURE																																
99E Tunnel Improvements	\$250,000	\$0	\$250,000																			\$125,000	\$125,000									
Railroad Ave ROW Acquisition	\$41,300	\$1,743	\$39,557																			\$41,300										
Development Strategy	\$611,300	\$84,550	\$526,750										\$215,000														\$396,300					
McLoughlin-Canemah Trail Plan	\$30,000	\$35,474	-\$5,474													\$25,000		\$5,000														
Staff: Development Strategy Lead	\$80,000	\$0	\$80,000										\$80,000																			
Unallocated Funds/Contingency	\$85,000	\$0	\$85,000								\$50,000							\$25,000	\$10,000													
Subtotal	\$1,097,600	\$121,767	\$975,833	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0	\$295,000	\$0	\$0	\$0	\$25,000	\$0	\$15,000	\$0	\$166,300	\$125,000	\$0	\$0	\$0	\$0	\$396,300	\$0	\$0	\$0		
ECONOMIC DEVELOPMENT																																
Ec Dev Staff Contract	\$50,000	\$0	\$50,000								\$50,000																					
Subtotal	\$50,000	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0					\$0		\$0	\$0	\$0	\$0		
Grand Total	\$16,734,699	\$2,277,884	\$14,456,815	\$1,000,000	\$6,425,000	\$1,846,555	\$930,544	\$50,000	\$50,000	\$200,000	\$150,000	\$50,000	\$295,000	\$0	\$200,000	\$0	\$25,000	\$0	\$130,000	\$125,000	\$231,300	\$155,000	\$185,804	\$64,196	\$1,043,478	\$2,956,522	\$396,300	\$0	\$100,000	\$100,000		
				\$7,425,000		\$3,077,099				\$200,000		\$1,411,300										\$4,000,000		\$596,300								

NOTES: Budget reflects carryover from the previous budget period as well as new allocation. New sources such as grants and unanticipated fundraising will be reflected in future budget updates.

**WILLAMETTE FALLS RIVERWALK UPDATED PROJECT FUNDING
CONCEPT DESIGN & PHASE I PROJECT**

Project Sources	Metro NA Bond	Metro Gen. Fnd.	State Bond	State Bond	Falls Legacy	Tourism Grant	Oregon City	Fundraising	Total
Total Funds	\$ 5,000,000	\$ 100,000	\$ 5,000,000	\$ 7,500,000	\$ 400,000	\$ 53,622	\$ 1,245,581	\$ 5,912,939	\$ 25,212,142
Spent to Date	\$ 1,173,148	\$ 50,000	\$ 0	\$ 0	\$ 200,000	\$ 53,622	\$ 643,081	\$ 0	\$ 2,119,851
Available	\$ 3,826,852	\$ 50,000	\$ 5,000,000	\$ 7,500,000	\$ 200,000	\$ 0	\$ 602,500	\$ 5,912,939	\$ 23,092,291
Unallocated	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Budget	Metro NA Bond	Metro Gen. Fnd.	State Bond	State Bond	Falls Legacy	Tourism Grant	Oregon City	Fundraising	Total
Pre-Concept	\$ 126,754	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 75,000	\$ 0	\$ 201,754
Concept Design	\$ 1,655,447	\$ 50,000	\$ 0	\$ 0	\$ 200,000	\$ 53,622	\$ 568,081	\$ 0	\$ 2,527,150
Construction Documents*	\$ 1,869,065	\$ 0	\$ 250,000	\$ 0	\$ 200,000	\$ 0	\$ 452,500	\$ 709,553	\$ 3,481,118
Permitting and Construction	\$ 0	\$ 0	\$ 4,750,000	\$ 6,578,574	\$ 0	\$ 0	\$ 150,000	\$ 4,316,445	\$ 15,795,019
Owner Contingency	\$ 1,348,734	\$ 50,000	\$ 0	\$ 921,426	\$ 0	\$ 0	\$ 0	\$ 886,941	\$ 3,207,101
Total	\$ 5,000,000	\$ 100,000	\$ 5,000,000	\$ 7,500,000	\$ 400,000	\$ 53,622	\$ 1,245,581	\$ 5,912,939	\$ 25,212,142

*Construction Documentation includes additional technical investigation to support Phase I

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**WILLAMETTE FALLS RIVERWALK UPDATED PROJECT FUNDING
CONCEPT DESIGN & PHASE I PROJECT**

**EXHIBIT A
Close of FY19**

Project Sources	Metro NA Bond	Metro Gen. Fnd.	State Bond	State Bond	Falls Legacy	Tourism Grant	Oregon City	Fundraising	Total
Total Funds	\$ 5,000,000	\$ 100,000	\$ 5,000,000	\$ 7,500,000	\$ 400,000	\$ 100,773	\$ 1,245,581	\$ 5,912,939	\$ 25,212,142
Spent to Date	\$ 3,439,238	\$ 100,000	\$ 0	\$ 0	\$ 200,000	\$ 99,150	\$ 140,582	\$ 0	\$ 3,978,970
Available	\$ 1,560,762	\$ 0	\$ 5,000,000	\$ 7,500,000	\$ 200,000	\$ 1,623	\$ 1,104,999	\$ 5,912,939	\$ 21,233,172
Unallocated	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Project Budget	Metro NA Bond	Metro Gen. Fnd.	State Bond	State Bond	Falls Legacy	Tourism Grant	Oregon City	Fundraising	Total
Concept Design	\$ 1,782,201	\$ 50,000	\$ 0	\$ 0	\$ 200,000	\$ 53,622	\$ 643,081	\$ 0	\$ 2,728,904
Construction Documents*	\$ 1,869,065	\$ 0	\$ 250,000	\$ 0	\$ 200,000	\$ 0	\$ 452,500	\$ 709,553	\$ 3,481,118
Permitting and Construction	\$ 0	\$ 0	\$ 4,750,000	\$ 6,578,574	\$ 0	\$ 0	\$ 150,000	\$ 4,316,445	\$ 15,795,019
Owner Contingency	\$ 1,348,734	\$ 50,000	\$ 0	\$ 921,426	\$ 0	\$ 0	\$ 0	\$ 886,941	\$ 3,207,101
Total	\$ 5,000,000	\$ 100,000	\$ 5,000,000	\$ 7,500,000	\$ 400,000	\$ 53,622	\$ 1,245,581	\$ 5,912,939	\$ 25,212,142

*Construction Documentation includes additional technical investigation to support Phase I

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WFLP Riverwalk Revised Draft Budget Approach FY2020

Design	\$	4,665,000	19%
Construction	\$	12,295,000	49%
Technical Studies, Materials, Communications, and Administration	\$	1,019,000	4%
Additional Studies and Pre-Construction Consultant Support	\$	967,000	4%
Additional Consultant Support During Construction	\$	620,000	2%
Labor	\$	1,944,000	8%
Contingency	\$	3,500,000	14%
Approximate Total	\$	25,010,000	100%

Willamette Falls

◉ LEGACY PROJECT ◉

PARTNERS GROUP MEETING MINUTES

July 31, 2019

Museum of the Oregon Territory, Tumwater Ballroom

211 Tumwater Dr.

Oregon City, OR 97045

8:30 – 9:30 A.M.

Partner Attendees

Oregon City: Mayor Dan Holladay, City Manager Tony Konkol, Commissioner Frank O'Donnell

Metro: Councilor Christine Lewis, Acting Deputy COO Heidi Rahn, *attending on behalf of Metro COO Andrew Scott*

County: Commissioner Paul Savas, Commissioner Martha Schrader

State: Jim McKenna, *attending on behalf of Metro Regional Solutions Coordinator Raihana Ansary*

Absent: Senator Alan Olsen
Metro Council President Lynn Peterson
County Administrator Gary Schmidt
State Parks Deputy Director M.G. Devereux
Metro Regional Solutions Coordinator Raihana Ansary

Staff: Brian Moore, Alex Gilbertson, Melanie Reinert, Carrie Belding, Andy Cotugno, Jon Blasher, Ramona Perrault, Hope Whitney (Metro); Laura Terway, Kristin Brown (Oregon City), Marcus Sis (State of Oregon), Tracy Moreland (Clackamas County)

Public: Andrew Mason, Alexis Ingram, Mark Sturdivan (Willamette Falls Trust); Betsy Heidgerken (Falls Legacy LLC); Tom Scott (local citizen); Megan McKibben (US Congressional staff); Stacia Hernandez, Jennifer Biesack, Jesse White (Confederated Tribes of Grand Ronde); approximately five other observing members of the public/Partner agency staff whose names were not captured

The Willamette Falls Legacy Project Partners meeting was called to order by meeting Chair, Oregon City Mayor Dan Holladay at 8:30 a.m.

Mayor Holladay requested introductions from those present at the meeting.

Project Manager Brian Moore of Metro provided a budget update.

- Mr. Moore walked the Partners through a series of projected budget spreadsheets.
 - The last Partners IGA updated the project's two-year budget, and that cycle is now at its end.

- At the outset of the two-year period, the project had an established budget of \$16.5M with anticipation of beginning construction.
 - However, negotiations with the property owner over his concerns delayed obtaining required permit signatures, which resulted in the project becoming about one year behind.
- Mr. Moore explained the original budget, expenditures to-date and remaining funds.
- The budget showed \$16.7M instead of \$16.5M, because \$200k was added over a two-year period: \$100k from the commitment to WFT and \$100k identified for operations and maintenance planning, which was not in the original budget.
 - In two years, the project has spent \$2.2M of \$16.7M allocated, and it is under budget, or rather behind budget because of the aforementioned delays.
- The budget also reflected project administration and the infrastructure and economic development components of the project, such as the 99E tunnel, Railroad Ave., right-of-way acquisitions from Oregon City, work on development strategy, etc.
 - Mr. Moore noted the challenges of having a good bottom line on progress with that budget spreadsheet.
- Mr. Moore shared a summary spreadsheet, adopted in the original IGA from 2017.
 - The original starting budget from 2015 was \$25.2M, the budget presented reflected the original starting amount and was anticipated to cover the next two year period from 2017-2019.
- Mr. Moore noted the current status: of the total \$25.2M, the project has spent \$3.9M, leaving \$21M available for continued work.
- Two tracking mechanisms were developed to capture the budget spent in detail for two-year time periods versus overall project expenditures.
- The project's budget to-date, familiar to most of the Partners already, was shared.
 - Brian M. explained that this budget works to capture contributions from each Partner.
 - Metro contributed \$5.1M, \$5M from the natural areas bond and \$100k from the Metro general fund.
 - The State contributed \$12.5M from lottery funding.
 - Falls Legacy LLC made an initial commitment of \$400k, and \$200k was received.
 - Clackamas County provided a tourism grant.
 - Oregon City committed \$1.2M
 - The nonprofit WFT is committed to at least \$5.9M
 - These contributions make up the \$25.2M budget.
 - The budget roughly addresses sources of funding and at a similar high level, the categories for how the project funds are anticipated to be spent.
- The initial structure from 2015, had four categories for expenditures: conceptual design, construction documents, permitting and construction, and contingency.
 - Category totals included \$2.7M for conceptual design, \$3.4M identified for construction documents, \$15.7M for permitting and construction, and \$3.2M for owner contingency.
 - Mr. Moore made note that the original budget was set before any conceptual design work was done.
- As the early uncertainties have been clarified, the budget has been refined and re-categorized appropriately, and now it aligns better with how Metro tracks other projects.
 - Mr. Moore proposed new categories to reallocate the same funds to make tracking easier: design, conceptual design and construction drawings, construction as a line item, technical studies, materials, administrative costs, additional studies, preconstruction, and consultants at work.
 - Additional consultants during construction would be grouped into an 'other' category outside design and construction.

- A major change is to specifically identify labor, which was not done in the original budget.
 - Mr. Moore explained that staffing comes out of the budget and noted one of the reasons why the available funds are different than expected is additional and unanticipated staff labor costs due to the project delay.
 - Mr. Moore summarized the totals for the new categories:
 - The \$4.6M for design covers the conceptual design already funded, as well as the construction drawings and schematic design under contract now.
 - \$12.2M was dedicated for construction hard costs.
 - Remaining costs total about \$6M, which is a combination of technical studies, materials communications, and administrative costs spent to date, additional studies anticipated over the next year (under \$1M) and additional consultant support during construction for about \$600k.
 - Labor is identified and includes projected labor through Phase 1 (presuming no delays) totaling \$1.9M
 - Contingency is at \$3.5M.
 - Mr. Moore asked for feedback on this draft budget.
- Clackamas County Commissioner Paul Savas asked for clarification on the labor cost breakdown and categorization.
 - Mr. Moore explained that the administration category includes costs like conferences, meetings, and team expenses that are not labor or salary.
 - The labor category explicitly reflects project staff salaries.
- Metro Acting Deputy Chief Operating Officer Heidi Rahn expressed appreciation for the updated approach and breakdown of the budget, noting that the two year snapshot would not have been as useful as we move into managing construction and soft costs.
 - This version of the budget will help the project with future tracking.
- Mayor Holladay determined there were no other questions.
- Mr. Moore shared that the project's budget oversight committee will need to meet for a detailed discussion to talk about these changes, and we will move forward with this tracking approach.

Mr. Moore shared updates on the project design status.

- Since the last Partners group meeting, the project hired a design team, led by Otak, to get through construction and design the prominent view of Willamette Falls as required by the State funding.
 - The prominent viewpoint location was identified within the Mill H Reject Building.
- Mr. Moore shared a photograph of this structural complex for reference and oriented the attendees on the structures in the proposed Phase 1 area of the project site.
 - The buildings' exterior cladding would be removed, the Boilers would be left in place, and the Recovery Boiler and other related structures would be removed.
 - The viewpoint would be on the south side of Mill H Reject Building.
- Mr. Moore shared a polished rendering of the completed Phase 1 area as conceived by Snøhetta.
 - The project team has been working with the design team to take the construction budget of \$12M and determine how much of the conceived scope can be achieved within that budget.
- Mr. Moore shared a series of rough sketches of Phase 1 that were more indicative of where the teams are in figuring out which elements work and their sequencing.
 - The team focused on the Mill H Reject building in more detail and did a cost analysis.
 - Phase 1 was broken into two other parts, with the second piece focused on the Stock Cylinder and work around the Boiler building.

- Another segment would then address the Recovery Boiler building and access to Phase 1 via the public Yard and Main Street.
 - Mr. Moore noted that this segment would not likely occur until Phase 2 or if significant new funding to the project is made.
- Mr. Moore shared that two recent cost estimates at the early schematic design level are at \$17M and \$33M, subject to the scope that we've discussed here and subject to design.
 - Construction costs are expected to be higher than what was budgeted in 2015, and the team is determining how much more it will cost.
- Mr. Moore sought the Partners group's input regarding the team's approach.
 - The team would like to continue to work through designs and drawings and work through the cost estimates to get more accuracy on projected cost.
 - Without additional analysis and depending on the scope of project, costs could likely be around \$33M or around \$17M.
 - Mr. Moore was not comfortable with either number at this time, explaining that the design team needs more work to define these options.
 - Mr. Moore asked the Partners if they approved of the project and design teams continuing to refine designs and cost estimates over next two months.
- Representative Mark Meek asked for some more clarification on Phase 1 versus the overall project concept.
 - Mr. Moore explained that the full project was signed off by the property owner for eventual full project delivery.
 - The full scale project does not have precise estimates on it, and these estimates are focused only on the Phase 1 portions.
 - Phase 1 was leveraged by money from the State, and the selected area for this phase must be completed first to get the prominent viewpoint of the Falls required by that funding.
 - The planned Yard, the north riverfront and pathways out to viewpoints closer to the Falls are future project phases.
 - Mr. Moore clarified that a small white structure to the left of Boiler Building would be removed.
 - The estimated \$33M would cover the Snøhetta Phase 1 rendering shown, including the removal of the Recovery Boiler and building a temporary bridge from the Yard.
 - The sketches illustrated options that could be completed for a cost closer to the current budget.
 - The Recovery Boiler removal would likely occur in Phase 2, and the temporary bridge would need to be removed for Phase 2 to be built.
 - If the bridge is the only access route, there could be a temporary loss of access to the Phase 1 area.
 - The breakdown for the phases proposes an alternative access route down Main Street onto the PGE dam.
 - This would provide interim access around the back of the buildings, allowing work future without impacting future access.
 - The sketches could be considered Phase 1A, 1B and possibly 1C.
 - Phase 2 could occur without impacting access to the Phase 1 concept.
- Commissioner Schrader asked if it would be more cost-effective to leave the Recovery Boiler in place and asked for clarification on why it needed to be removed.
 - Mr. Moore used the Snøhetta rendering for reference, illustrating the Yard and the planned excavation of the Alcove, a historic tailrace that would be re-exposed.
 - Fill and the Pipechase across that area would be removed.
 - The Recovery Boiler sits on top of that area, and the Alcove excavation is a significant habitat restoration component of the project.
 - Mr. Moore clarified that the Pipechase would remain in place for Phase 1, and only part of it would then be removed for the Alcove work.

- Commissioner O'Donnell expressed the importance of accurate information.
 - He felt the Partners needed to decide between a small victory or potentially biting off something that could be too big.
 - He noted there would also be startup costs to bring in machinery.
 - Commissioner O'Donnell felt a 60-day period define information and accuracy valid.
- Commissioner Savas agreed and felt it was important to demonstrate progress and move forward.
 - He acknowledged the complexities of staging and sequencing the project and hoped for increased clarity on Phase 1 options and flow for the next meeting.
- Councilor Lewis expressed appreciation for the sketches.
 - She was supportive of shifting the phasing and continuing work to refine the designs over the next few months.
 - She noted that the Metro bond vote was approaching, and if it passes, that could be another decision point related to more funding for project.
 - The Partners could discuss committing to further splitting phases then, but it makes sense to keep refining the options now.
- Regional Solutions representative Jim McKenna asked for clarification on the breakdown of the \$33M concept costs.
 - Mr. Moore explained that \$5M to \$6M for removal of the Recovery Boiler and the construction of the temporary access bridge were included in the \$33M total.
 - Removal of the Recovery Boiler and the bridge were part of original Phase 1 vision, but could now shift to Phase 2.
- Oregon City City Manager Tony Konkol noted his unique perspective as a member of both the project's Technical Advisory Committee and the Partners Group.
 - He further underscored the complexity of the site from a phasing standpoint and noted the escalation of construction costs throughout the region.
 - Mr. Konkol shared that the budget for Phase 1 also included certain other related parts of the site such as temporary parking near 99E and safe and secure access down Main Street during the temporary route phase.
 - He noted that the public can't pass through or adjacent to some structures in their existing states, so the Phase 1 budget had to also factor in related safety measures.
 - The need for an alternate route added some additional costs along Main Street and adjacencies, and it is vital to secure areas so people do not trespass or pass through an unsafe area.
 - Mr. Konkol expressed appreciation for the other Partners' flexibility in listening and considering options as the team assembles a best approach to phasing and construction of the project.
- Mayor Holladay asked for clarification on the dam face access, wondering if PGE could close the area off for work, causing a loss of access to the Phase 1 area.
 - Mr. Moore explained that PGE does close access to the dam when doing upgrades and improvements, such as the significant round of improvements currently underway.
 - He did not feel that it was likely PGE would close the access for a long stretch again in the near future, and presuming that Phase 2 and the related secondary access are completed, the viewing area will have two ways in, so PGE closures would not be a long-term issue.
- Representative Meek suggested that the project team move forward with 60 days of planning and conceptual work to bring Phase 1 options back where the budget is.
 - The team should determine what can be accomplished with current funds, designate that work as Phase 1, and make a recommendation to move other projects into Phase 2.

- The team should also work on costs and funding mechanisms for Phase 2, but it is valuable to move forward on decisions for Phase 1.
- Commissioner Savas suggested that the group to potentially consider a different naming approach than “phasing” in communications, such as “approach” or “push” or breaking into segments such as A, B, C.
- Commissioner O’Donnell suggested that when the team analyzes for clarity, it would be nice to state parts separately and have each project component split into fixed costs and labor for a very specific future breakdown.
- Mr. Moore explained that there are two cost estimators: Lease Crutcher Lewis, the construction manager/general contractor [CM/GC] and a consultant under Otak, Architectural Cost Consultants.
 - With the project’s selected delivery method of CM/GC, both carry advance cost estimates as designs are refined and those estimates are pitted against each other to get to a guaranteed maximum price for the construction.
 - This takes into account the cost of setup, etc.
 - On typical greenfield project, site setup costs around 7% to 11%, but on this project, because of in-water work, removals for equipment access and other factors, setup costs are thought to be at 20% to 25% to get equipment into the site to do the work.
 - Commissioner O’Donnell felt preconstruction included site preparation considerations.
- Mayor Holladay determined there were no more questions on the topic.

Mr. Moore asked the Partners to consider more methods of funding for the project.

- Mr. Moore thanked Councilor Lewis for mentioning Metro’s bond before voters this fall and noted that this project has been successful with everyone having “skin in the game.”
 - If we can find more ways to communicate that commitment, it would be fantastic and much appreciated.
 - The team can work with staff from Partners to discuss that in more detail.
- City Manager Konkol hoped the group would consider how several years ago the Partners made financial commitments, and we can think about what each agency can bring immediately or the near future.
- Mayor Holladay asked for clarification on ownership and maintenance of the riverwalk.
 - Mr. Moore explained there is not yet a formal agreement, but the consensus agreement was that Oregon City would own and maintain the hardscape portions, and Metro would own and maintain the natural habitat areas of the riverwalk from an operations and maintenance standpoint.
 - He made a distinction between the property’s private ownership versus the agencies running, operating and maintaining the project on the easement.
- Representative Meek noted that the State’s contributions depend on final costs and other contributions.
 - The final budget is needed to bring funding.
- City Manager Konkol expressed gratitude for the State’s original \$5M to leverage additional funds, the \$7.5M that followed, and Metro’s natural areas bond funding.
 - He also appreciated the comments on the bond vote in November, calling it a great opportunity, and he asked the group to consider how can the project can further leverage the potential \$20M additional funding if the bond passes.
 - The additional funding could drive more contributions.
- Clackamas County Commissioner Martha Schrader, requested a timeline for when the agencies needed to have “skin in the game.”

- She noted that the Clackamas County Commissioner Partners would need to discuss the topic with the other Commissioners, administrators, tourism, business and community development teams to determine funding sources.
 - It is likely funding would be from the same sources as before.
- Clackamas County is rightsizing their budget this year, and a timeline and project cost and price estimates would be useful when considering funding.
- Commissioner Savas asked for a clarification of “skin in the game” for the project, wondering if that included Partner agency staff time (excepting administrative labor).
 - He wondered whether Oregon City staff time was being donated to the project, as an example.
 - The project is not cost-capturing work from the Oregon City or County economic development staff or staff time for attending TAC meetings.
 - The time of lobbyists working for the County was also noted.
 - Mr. Moore noted that some Oregon City staff time is funded via development strategy grants.
 - The hours of Laura Terway and Tony Konkol are not donated, but they are not coming out of the project budget as an expenditure.
 - The project staff time as a line item in the budget only contains the time of the full-time Metro team: Project Manager, Brian Moore, Project Assistant, Melanie Reinert, Communications Specialist, Carrie Belding, and Riverwalk Project Manager, Alex Gilbertson.
- Commissioner Savas expressed appreciation for the team’s time and labor.
- Commissioner Schrader underscored that a timeline would be very helpful to forecast potential future funding.
- Mr. McKenna noted the need for this timeline soon, as the window for upcoming State sessions is rapidly approaching.
- Commissioner Savas felt the potential for strong economic development could lead to some funding from Clackamas County.

City Manager Konkol brought up the Confederated Tribes of Grand Ronde’s purchase and sale agreement of the Blue Heron mill property, and Mr. Moore provided an update on this topic.

- The Confederated Tribes of Grand Ronde are under contract to purchase the property and are currently in their due diligence process.
- They are working with the project team to explore their separate interests and identify shared interests.
 - The Tribe has expressed support for the riverwalk and interest in having private development on the site.
- They are anticipating a closing date in August.
- The project team will continue working with them with a goal of drafting an agreement determining a working relationship.
 - Mr. Moore noted that the Tribe is different than a typical developer or private owner, because they are a sovereign nation and government entity themselves.
 - The team has acknowledged that difference and is working through what that means regarding the future partnership.
 - The team hopes for an outcome that strengthens the partnership and provides certainty and clarity on all of the project’s four core values.
- Representative Meek recalled the past issues regarding obtaining signatures for permits and asked about upcoming permit timelines.
 - Mr. Moore explained that the team anticipates the need for signatures and will need some confirmation of continued support from the property owner, when and if the property changes hands.
 - The first hurdle is a change of property ownership.

- Beyond that, the project will require a signature for the joint permit application [JPA] submission to Army Corps.
- This process also involves the Section 106 process, an agreement on cultural and historic resources requiring an MOU signature.
- Then, depending on the form of our agreement with Grand Ronde, the project will need signatures for building permits.
- In summary, a need for permitting signatures is anticipated at the end of August to early September 2019, in late winter 2020 for Section 106/JPA, and then for building permits in early to mid-spring 2020.

Mayor Holladay requested any updates from the members of the Partners group.

As there were no further updates, Mayor Holladay adjourned the meeting at 9:22 a.m.

ACTIONS:

- **The budget oversight committee will meet to discuss the refined budget and tracking shared at today's meeting.**
- **The project team will work to refine Phase 1 boundaries and cost estimates over the next 60 days and will report back to the Partners group.**