

**COUNCIL CONVENTION CENTER COMMITTEE MINUTES**  
**March 8, 1988**  
**4:00 p.m.**  
**Convention Center Project Office**

ATTENDING: Councilors Cooper, Gardner, Hanson, Van Bergen, Knowles and Waker.

STAFF: Dan Cooper, Tuck Wilson, Kim Duncan and Neil McFarlane,

GUESTS: MERC Commissioner Ben Middleton, MERC Commissioner Stephen Gale and Dominic Buffetta, ERC.

The meeting was called to order at 4:10 p.m.

Agenda Item 1. Steel Bid Package. The committee reviewed the resolution to approve the steel contract bid package. The discussion included the potential deducts from the package including the towers. The committee was informed that the bid allowed the project until August 20 with regard to deduct the towers. The committee was also informed that insurance issues were deferred in this bid. The committee did ask how EEO and affirmative action would be handled and Mr. Wilson explained the requirement for EEO certification through the city of Portland and he distributed a sheet describing the project office's direct outreach program to all registered DBE/WBE's. He further explained that plans would be distributed in locations throughout the minority community.

Councilor Van Bergen asked if the building design had been finally accepted. Mr. Wilson responded that the council approved the building design in December. Councilor Van Bergen asked when the council would again review the design. The committee also asked about potential contractor claims. Mr. Wilson responded that the office had attempted to limit claims strictly to those funds allocated to the project and to not allow a claim against other Metro assets. Mr. Wilson explained that Turner Construction had been hired to provide the professional expertise necessary to work directly with general contractors and to avoid just such problems.

Agenda Item 2. North/Northeast Mental Health Center. Mr. Wilson announced that the last tenant on the site, the North/Northeast Mental Health Center, was preparing to vacate. While the business had been informed a year ago that the site would be vacated, a final resolution about the terms of vacation was only resolved this month. The clinic will be out by the end of March and the site will be entirely

vacated. Mr. Wilson said that the clinic had requested additional financial assistance in the move.

Councilor Waker asked about the authority of the project office to authorize any additional expenditures. Mr. Wilson indicated that while the clinic was exceeding its estimated vacation budget, the PDC contract was still within its limits. Further discussion involved the circumstances surrounding the delay in vacation by the mental health clinic and the requested financial assistance for the move. Mr. Wilson announced that the building would come down as soon as the last desk was out the door. Councilor Waker announced he was delighted to know that the taxpayers of Washington/Clackamas counties were helping the North/Northeast Mental Health Clinic to move.

Agenda Item 3. Street Vacation. Neil McFarlane indicated that the site work contractor work would begin work on May 15 in order to work traffic needs to be closed off from the site. The work for the detour is handled by the City of Portland and the city council must direct the city engineer to barricade the streets. The project office has been discussing with the City, over the last nine months, the terms of this vacation and agreement. During the course of these discussions, the City asked the project to fund the PDC area plan project. This was done and, of course, identifies a series of recommended changes in traffic patterns.

The City has indicated that it will complete the work on these various traffic projects prior to the opening of the convention center project. Further, if ODOT participates, it will improve the financial situation surrounding the site's traffic issues.

Mr. Wilson said that the participation of ODOT was critical to maintaining the project's budgetary objectives. Councilor Cooper asked what the fallback plan was should ODOT not participate as indicated. Tuck Wilson responded that the City will not vacate the street unless these specific jobs are done. Councilor Cooper stated that Metro was already into a public works project for the City.

Councilor Waker stated that he was less interested in discussing the specific line items in the PDOT agreement because he has faith that ODOT will, in fact, take care of their freeway plans.

Councilor Cooper asked whether the new light rail station was a certainty. Tuck Wilson responded that there will probably be a subsequent agreement about exactly where to locate the station.

Stephen Dotterer, PDOT, also spoke briefly with the committee about the City's objectives. Mr. Wilson referred the committee to the document in front of them, describing the range of issues.

Councilor Waker moved the approval of the agreement and it was unanimously approved.

Agenda Item 4. Project Budget. The committee received a brief review about the project's revenue sources and general budget objectives. Ben Middleton, MERC Commissioner and chairman of the MERC Budget Committee, spoke to the committee. He indicated that MERC was confused because they had received a draft budget from Metro for their commission. He stated that MERC believed they should control their own budgeting process. Councilor Cooper indicated that if Metro was able to assist MERC in putting together it's first budget, that might be helpful to all parties. Councilor Cooper further indicated that because Metro was altering some of its council organizational directives, that the process was not as clear as it might be. Councilor Cooper asked how GPCVA fit into the overall budgeting process. Tuck Wilson responded that the GPCVA marketing requests would be in the MERC budget.

Ben Middleton said that he needed to understand the Convention Center Committee's intentions with regard to their role in MERC's budget. Councilor Cooper stated that the Convention Center Committee expected to review a construction budget from the construction office and a marketing and operations budget from MERC. He indicated that to the extent the two budgets affected each other, cooperation between staffs was expected. Councilor Cooper questioned if a meeting with the Executive Officer to clarify the procedure, should be requested.

The committee then proceeded to discuss the various funds of the project budget.

Debt Fund. Councilor Cooper indicated that he was concerned about not meeting the building budget needs, particularly as it was impossible to anticipate the potential claims. Mr. Wilson responded by discussing the use of interest earnings from the 60 G.O. bonds. The interest from the bonds can be applied against the property tax levied by the voters of the tri-county area or it can be maintained as a construction contingency if needed and then converted to the property tax should there be any left. Councilor Van Bergen indicated that he felt it was important to assess all the issues. Councilor Cooper indicated it might be wise to hold the interest until the last construction project bills are in and then refund the balance of the interest to the debt reserve fund. Councilor Gardner indicated that decisions with regard to the interest this year will set the precedent for decisions in the succeeding years.

Tuck Wilson indicated that the other reserve in the budget was from the hotel/motel tax fund. A \$1.5 million reserve was established for the center's operations. In reality, that money is also legally available for claims.

Councilor Van Bergen indicated that it may be desirable to look at a regional hotel/motel tax. Mr. Wilson commented on the Laventhol & Horwath study, about the consolidation of the facilities under MERC. Laventhol & Horwath indicated

that it was reasonable to assess the potential revenues from such a regional tax.

The meeting adjourned at approximately 6:00 p.m.

Respectfully Submitted,

Kim Duncan