

MEETING OF THE COUNCIL CONVENTION, ZOO  
AND VISITOR FACILITIES COMMITTEE

February 7, 1989

Committee Members Present: Councilors David Knowles (Chair), Tom DeJardin (V. Chair), Roger Buchanan, Sharron Kelley and George Van Bergen

Committee Members Absent: None

1. Consideration of Minutes

Motion: Councilor DeJardin moved to approve the Convention Center Committee minutes of January 10, 1989, and the Convention Center Committee Consolidation Meeting minutes of January 19, 1989.

Vote: A vote on the motion resulted in all five committee members present voting aye.

The motion carried and the minutes were approved.

3. Report on the Emergency Contract for Work Performed at the Oregon Convention Center Site to Meet Department of Environmental Quality (DEQ) Documentation Requirements

Neil McFarlane, Public Facilities Analyst, distributed a memo from Executive Officer Cusma to the Metro Council dated January 31, 1989. The memo explained DEQ had requested further testing be done to the Convention Center construction site at the specific location where land was once owned by Rose City Plating Company. Hazardous materials had been found at that site as a result of the activities of previous owners. Executive Officer Cusma had authorized a \$50,000 amendment to an existing contract with Dames & Moore, engineers, to perform the investigation. Mr. McFarlane reported that about 90 percent of the hazardous materials found at the site could be directly attributable to Rose City Plating Company and there was no indication that hazardous materials were found in other locations within the construction site.

Councilor Van Bergen asked staff to explain the extent of Metro's responsibility in this situation. Monica Little, Legal Counsel, responded that early on in the project, the decision had been made to continue construction activities while a hazardous waste investigation was conducted. It was also acknowledged that the DEQ could order Metro to cease construction if it determined hazardous wastes were at a level to warrant that action.

Councilor Van Bergen recalled Metro had made its decision to continue construction when only \$34,000 had been spent on cleanup efforts. He was concerned that approximately \$800,000 had now been spent on cleanup efforts. In response to his concern that the cleanup be well documented, Ms. Little assured him Metro's Office of General Counsel had a complete file on the project and was closely monitoring the situation.

4. Consideration of Resolution No. 89-1048, for the Purpose of Authorizing a Change Order to the Contract with Hoffman/Marmolejo for Construction of Skyview Terraces for the Oregon Convention Center

Mr. McFarlane distributed a memo from Tom Walsh, Chair of the Advisory Committee on Design and Construction (ACDC), dated February 7, 1989, which discussed the ACDC's recommendation that the Council adopt the resolution. Mr. McFarlane reported that adoption of the resolution would allow construction to immediately proceed on the two, unfinished skyview terrace spaces. There was cash on hand for the change order but a budget amendment would eventually be necessary to increase the construction budget. If the Council chose at this point not to construction the project, he said, all future options for the space would be precluded. Mr. McFarlane discussed the advantage of building the terraces, explaining they would serve as an additional amenity to the Convention Center and therefore create a competitive edge in attracting conventioners.

Mr. McFarlane reported the ACDC was sensitive to the fact that it had forwarded another "piecemeal" construction decision to the Committee. However, he assured that the ACDC would avoid such project-by-project recommendations in the future.

Councilor Kelley requested a business plan for the terrace space be provided to Councilors. Mr. McFarlane said a preliminary plan had been prepared which compared the proposed spaces with the Montgomery Park Atrium, the 41st Floor of the U.S. Bank Tower and other spaces. He explained, however, the terraces were not totally comparable with other commercial enterprises because they would not be open to the general public. The terraces would primarily serve as an additional amenity and would add to the flexibility of the Convention Center, he said. He pointed out that enough information had been provided Councilors to make a threshold decision concerning whether the skyview terraces should be constructed. The Metro Exposition-Recreation Commission staff would return at a later date with a more detailed business plan for the spaces.

Councilor Knowles reported that Richard Waker, member of the ACDC and former Metro Councilor, supported adoption of the resolution.

Councilor DeJardin and Van Bergen supported construction of the terraces, explaining the additional amenity would make the facility more competitive with other convention centers.

Mr. McFarlane reviewed the financing options for the skyview terrace spaces. He explained the project could be funded from either hotel/motel taxes or from interest income on bond proceeds. Councilor Knowles added that in the future, project "add-on's" would be budgeted and would not be financed in a piecemeal fashion. Mr. McFarlane then reviewed in detail how the project could be funded from income on bond proceeds. He explained the primary issue was whether the \$3.3 million currently held in reserve was sufficient to cover construction of the project. Staff assured the Committee, however, there was a sufficient cash flow to proceed with construction and that a budget amendment could be adopted later in the fiscal year.

Motion: Councilor DeJardin moved to recommend the full Council adopt Resolution No. 89-1048.

Councilor Knowles requested staff's report to the full Council on the resolution include information about financing options.

Vote: A vote on the motion resulted in all five Councilors present voting aye.

The motion carried.

## 2. Convention Center Construction Progress Report

Glenn Taylor, Construction Coordinator, presented a video report on the progress of the Convention Center project. He and Neil Saling, Construction Project Director, had been told by a representative of Canon Western, the steel fabricator for the tower structures, that steel for the structures would be delivered 30 days behind schedule. Discussions were on-going to ensure the steel would be delivered on schedule. In response to Councilor Van Bergen's question, Neil McFarlane explained that both the steel fabricator and the general construction company would be liable for construction delays.

Councilor Van Bergen asked about the general safety record of Action Steel Erectors, the company which would be erecting the towers. Mr. Taylor reported that Action Steel was expected to pay a fine which had resulted from a worker's carelessness, but the company's record was generally very good.

5. Consideration of Resolution No. 89-1051, for the Purpose of Authorizing Metro General Counsel to Commence Legal Proceedings Against Previous Owners of the Oregon Site Properties

Chair Knowles called the meeting into executive session under the authority of ORS 192.660(1)(h), for the purpose of discussing litigation with counsel. All five Councilors were present at the executive session. Other attending the Executive Session included Neil Saling, Neil McFarlane, Monica Little, Berit Younie, and Glenn Taylor. Chair Knowles call the meeting back into regular session.

Councilor Kelley said she did not support the resolution and requested more background information concerning the case.

Main Motion: Councilor DeJardin moved to recommend the full Council adopt Resolution No. 89-1051.

Motion to Amend: Councilor Kelley moved to amend the "be it resolved" clause of the resolution to reflect that the General Counsel not be directed to commence legal proceedings but instead be directed to conduct an investigation of the assets of the potential defendant and to determine the extent of the liability of the former property owner.

Vote on the Motion to Amend: A vote resulted in Councilor Kelley voting aye and Councilors Buchanan, DeJardin, Knowles and Van Bergen voting no.

The motion to amend failed to carry.

Vote on the Main Motion: A vote on the motion to recommend Council adoption of the resolution resulted in Councilors Buchanan, DeJardin, Knowles and Van Bergen voting aye. Councilor Kelley voted no.

The motion carried and Resolution No. 89-1051 was recommended for Council adoption.

6. Novation Agreement Report

Chair Knowles requested the report be deferred to the next regularly scheduled meeting in order that the meeting could adjourn on schedule. He asked if Councilor Van Bergen would accept a written report in lieu of an oral report. Councilor Van Bergen responded he would accept a written report but he strongly recommended that all items deferred to another meeting be

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considered at the beginning of the agenda to avoid a second deferral.

7. Consolidation Task Force Update

In response to Councilor Van Bergen's question, Mr. McFarlane said a meeting had not yet been scheduled with the Clackamas County Richard Commission although Metropolitan Exposition-Recreation Commissioner Ares was working to set up the meeting. Councilor Knowles requested Mr. McFarlane assist in setting up the meeting.

There was no other business and the meeting was adjourned at 5:40 p.m.

Respectfully submitted,



A. Marie Nelson  
Clerk of the Council

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02/28/89