

MINUTES OF THE COUNCIL REGIONAL FACILITIES
COMMITTEE OF THE METROPOLITAN SERVICE DISTRICT

Regular Meeting
August 27, 1991

Committee members present: David Knowles (Chair), Jim Gardner
(Vice Chair), and Ruth McFarland

Committee members absent: Larry Bauer, Roger Buchanan

Other Councilors present: Tanya Collier (Presiding Officer),
George Van Bergen

Chair Knowles called the meeting to order at 4:10 p.m.

1. Consideration of April 2, 1991; May 14, 1991; May 28, 1991;
July 9, 1991; and August 13, 1991 Regional Facilities
Committee Minutes

Motion: Councilor McFarland moved to approve the minutes as
written.

Vote: Councilors Knowles, Gardner, and McFarland voted aye.
The motion passed unanimously.

2. Presentation from Portland Trail Blazers Regarding Status of
the Arena Project

Chair Knowles stated the arena project is currently under
consideration by the Arena Task Force appointed by Metro and the
City of Portland. The Task Force has indicated to the Blazers
objectives Metro and the City have for such a new facility. He
then introduced Marshall Glickman, Senior Vice President of the
Trail Blazers, who gave a presentation on the status of the arena
proposal.

Mr. Glickman reported Blazer organization representatives have
worked closely with Metro staff, Tri Met, the Bureau of Planning
for the City, the Department of Transportation for the City and
State, and private entities such as the Lloyd Center and Pacific
Development in order to develop a public/private partnership to
effectively deal with the project.

He announced the members of the "Master Planning Team," and
listed public benefits, as well as likely features of the new
arena. Design objectives were reviewed, along with the
"Masterplan," and transportation issues. A slide presentation of
preliminary renderings of the project was also given. Packets
providing specific details of Mr. Glickman's presentation were
distributed and are included as part of the record.

Councilor McFarland asked if there would be access to the Willamette River. Mr. Glickman pointed out it wasn't Blazer property, however, part of the design objectives is to ultimately find ways to funnel down to the river.

3. Consideration of Resolution 91-1494, Authorizing Execution of a Sale Agreement for the Acquisition of the Sears Facility and Exempting the Headquarters RFQ/RFP Process from the Competitive Bidding Process Pursuant to Metro Code 2.04.041

Councilor Knowles stated the Committee needed to forward the resolution to Council, even if questions arose, because of approaching deadlines.

Neil Saling, Director of Regional Facilities, reported on the status of the Request for Qualifications (RFQ) selection process and Request for Proposals (RFP) contract negotiation with Pacific Development, Inc., (PDI). To date, 51 design/build teams have requested copies of the RFQ. From the pool of applicants, three teams will be chosen to make a formal proposal. Staff is currently working on portions of the draft RFP, including the Scope of Work and General Conditions. Deadline for selecting the three teams is September 16, 1991; this selection may need to be expedited through this Committee.

Two issues have not been resolved; the remediation of environmental aspects and payment of interest between deposit of the earnest money and final closing. These issues can be discussed in executive session. All other issues are minor and have been resolved; and all language (with the exception of the two aforementioned points) has been agreed to by Metro and Stoel, Rives, attorney for PDI.

Chair Knowles called the Committee into Executive Session at 4:55 p.m. The following individuals were in attendance: Chair David Knowles; Vice Chair Jim Gardner; Committee Member Ruth McFarland; Presiding Officer Tanya Collier; Councilor George Van Bergen; Executive Officer Rena Cusma; Metro staff members Don Carlson, Dan Cooper, Neil Saling, Jennifer Sims, Casey Short, Ken Gervais, Lindsey Ray, Berit Stevenson, Pan Erickson, Sandy Stallcup, Glenn Taylor; MERC General Manager Lee Fehrenkamp, Oregonian Reporter Jim Mayer.

Executive Session was closed at 5:50 p.m.

Motion: Chair Knowles moved to recommend Council adoption of Resolution 91-1494, with the conditions that 1) the entire cost of hazardous waste remediation be borne by the seller, and 2) no interest cost be paid by Metro between September 15 and closing.

Councilor Gardner had asked Mr. Saling at a prior Committee meeting to develop comparisons between the total cost of the Sears proposal with total costs of new construction in the area. He asked Mr. Saling to contact individuals who had represented to this Committee that similar facilities could be made available at a lesser cost. Mr. Saling reported that cost estimates for potential alternatives to Sears acquisition and renovation had been studied and it had been determined that they were not cost effective. Other options, such as leasing space, turned out to be more expensive than the Sears project.

Councilor McFarland stated the Committee needed to have a very good idea about the cost of the project before Council could be expected to approve the resolution. Councilor Gardner stated he has questions that remain unanswered. The cost of renovations compared to other options is one issue. A second issue is whether the seller is willing to accept our terms regarding remediation and interest payments.

Vote: Councilors Knowles and McFarland voted aye. Councilor Gardner voted nay. The motion passed.

Casey Short, Council Analyst, described the process for proceeding from this point and reminded the Committee they would be on a tight time frame. The RFP needs to be completed, and approval needs to be incorporated as part of this resolution process. The time line requires that the resolution approving the RFP will be discussed at the next Regional Facilities meeting for approval two days later at next Council meeting. He pointed out this resolution, if approved by Council, will commit Metro to a \$250,000 earnest money expenditure. Following issuance of the RFP and selection of the design/build team, the contract will be awarded. Council will be required to approve issuance of the bonds to pay for the project. Council will need to indicate the preferred option pertaining to structure of the debt service. There will be a review of the garage purchase option and the first phase of the study will have to be completed before closing to determine whether Council wants to put up the \$50,000 related to this option. Berit Stevenson, project manager, pointed out Metro would be committed to an honorarium of \$25,000 to be paid to each of the three design/build teams chosen to present proposals.

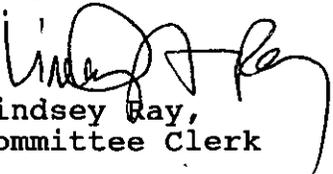
4. Consideration of Resolution 91-1478, Authorizing Execution of a Sale Agreement for the Acquisition of the Sears Facility Excluding Adjacent Parking Garage and for the Preparation of an RFP for the Renovation of the Sears Facility

Motion: Councilor McFarland moved to table the Resolution.

Vote: Councilors Knowles, Gardner, and McFarland voted aye.
The motion passed unanimously.

There being no further business, the meeting was adjourned at 6:00 p.m.

Respectfully submitted,



Lindsey Ray,
Committee Clerk

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