

## Meeting Minutes

Multnomah County Library Bond Oversight Committee

July 24, 2023

4:00 - 6:00 pm | Virtual Meeting

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### Committee Members Present

Ana Brophy, Jason Green, Jeffrey Scherer, Kourtney Strong, Randall Edwards, Rob Edmiston, and Sophia Suhu. Cheryl Russell, Karl Dinkelspiel, and Nicole Pexton were not available.

### Staff Present

Eric Arellano, Chief Financial Officer, Multnomah County; Judith Moses, Bond Program Administrative Assistant; Kate Vance, PMO Deputy Director-DCA; Maddelyn High, Library Director's Assistant / Committee Staff Support; Mike Day, Bond Program Management Office (PMO) Director; Tracey Massey, Director, Multnomah County Department of County Assets (DCA); and Vailey Oehlke, Library Director.

### Welcome + Introductions

Director of Libraries Vailey Oehlke welcomed attendees, shared a land acknowledgement, and reviewed the meeting agenda.

### Public Comment

Public comment was requested for submission via email ahead of the meeting. No known emails came in for public comment, and no members of the public were in attendance.

### Committee Business

Minutes for the April 24, 2023 meeting were approved with no edits.

Committee Chair Randall Edwards disclosed that his partner Julia Brim-Edwards was recently elected to the Board of County Commissioners. Per review by the library and the County Attorney's Office, this does not currently present a conflict of interest.

Committee liaison Maddelyn High reminded that several committee members' initial two-year terms are up late this year, and that she is in communication with these members about their interest in renewing.

Committee member Jason Green shared highlights from a Labor Management Community Oversight Committee (LMCOC) meeting he attended as an observer in June. Green explained that attending this meeting was an opportunity to listen to the dialog around COBID and DEI. The meeting brings together all general contractor experts together to share progress on aspirational goals and to dive deeper into apprenticeship work. It also presents an opportunity to share common challenges and to collectively problem-solve. Green characterized the conversation as robust, and encouraged other Bond Oversight Committee members to sit in on a meeting if they're able. Monthly LMCOC meetings are held on third Wednesdays, and folks can let High know

if they'd like to attend. Materials for these meetings are shared with committee members in a shared Google Drive folder.

### **Audit Results**

County CFO Eric Arellano joined to provide an update on the agreed-upon procedures audit, reminding folks of the scope of this engagement. The initial goal was to produce a report by the end of June, but due to some data retrieval complications and a leave of absence for a key firm team member, the report timeline has been pushed back. Arellano reminded that Moss Adams was chosen through a competitive county procurement process to complete the audit. While the report is not yet complete, no findings have been reported so far. Arellano will share the final report when it is complete, and offered to return to another committee meeting if requested to review results. It was suggested that the audit be an addendum to the committee's first annual report, and Arellano offered to write a summary to provide context.

### **Bond Implementation Update**

Bond Program Management Office (PMO) Director Mike Day gave an overview of the overall bond portfolio, starting with a budget update. A detailed breakdown of the total bond budget (\$443.2 million) was provided, and Day noted that spending will see an uptick as more and more projects come online as work enters the construction phase. Day also shared a breakdown of the bond premium reserve allocation, including new approvals for contingency spending to support Albina, North Portland, and East County libraries after teams arrived at final GMPs. Details were also shared on allocations for interest earnings, which were most recently approved to support seismic upgrades at St. Johns Library and toward Intelligent Materials Management (IMMS), which ties in to Automated Materials Handling (AMH) upgrades. Day then shared a snapshot of the overall bond budget broken down by project.

Day highlighted risks the bond team continues to monitor and evaluate on a weekly basis as projects move from design into construction, including a larger industry challenge related to builders risk insurance for historic renovation and seismic projects — for which county brokers and the construction team are pursuing options.

Shifting into diversity, equity, and inclusion, Day shared updates on recent milestones and COBID targets, noting that combined COBID and non-OR COBID certified participation is tracking around 55% and exceeding aspirational goals. Per project, COBID participation rates are also tracking well. Participation for Midland Library is tracking slightly below the base target, and PMO staff continue to meet with Swinerton to address the gap. Day also shared goals for projects that are still in various stages of planning (pre-construction).

PMO Deputy Director Kate Vance provided an update on the overall bond timeline, which has not significantly changed; although project teams continue to see some challenges related to permitting timelines and supply chain lead times.

Vance shared other project-level updates as follows:

- The *operations center* (renovations and additions) is in construction and on track for completion this fall. Building power is now on. Vance shared images showing the building

skin, solar grid, and overhead mechanical installation. Some contingency has been utilized for this project to support Intelligent Material Management System (IMMS) integration, and the team expects some surplus contingency, which will likely be authorized to apply toward the East County Library cost overage.

- *Holgate Library* (new construction) is also under construction and demolition is complete. The team is making headway on site work, and topping out will happen shortly. There are no significant project budget changes from last quarter. The project is on track for completion in spring 2024.
- *Midland Library* (addition and renovation) is also in construction, and overall demolition is complete. Electrical, foot pours, and other work on the addition continues. Vance shared an image of the approved canopy art by the RACC-selected artist, as well as images of the opened-up facade and footings. There are no significant project budget changes from last quarter, although the team is tracking some possible contingency use, and PGE-required changes may impact the construction timeline.
- Demolition work at *Albina Library* (historic renovation and addition) has started; project design is being finalized; and permitting is underway. The project budget increased by \$3.2 million, with mass timber, site security, and the exterior envelope being the primary cost drivers. The project timeline has been extended from late 2024 to the first quarter of 2025.
- The guaranteed maximum price (GMP) is being finalized for *North Portland Library* (historic renovation and addition), after which procurement can begin. The budget increased by ~\$600k to account for market escalation and the cost of replacing historic windows.
- The July groundbreaking for the *East County Library* (new building) was a success, with great attendance. Since the committee's last meeting, the sale agreement was finalized and the library closed on the property. Adjaye Associates is no longer working on the ECL after taking the project through the design development phase, and Holst is taking the lead on detailed design and construction administration. There are no changes to the project schedule (estimated completion in late 2025). Radiant flooring and HVAC added \$1.1 million to the project budget for a cost savings over the lifespan of the building. An anticipated surplus of ~\$2.5 million will be transferred from the Operations Center to ECL to support cost overages
- Work on the final three major bond projects — *Belmont, St. Johns, and Northwest* libraries — is just kicking off.
- *Refresh Project* work continues, and Vance shared project schedules and updates.
- *Technology* planning is ongoing, including for automated materials handling (AMH) design and for IMMS software that will help provide collection control and management.

Oehlke closed, sharing that overall spending is tracking well to meet the required bond spend-down (85% of bond funds must be spent by January 2024), noting that folks are very busy with all bond projects now online. Oehlke encouraged committee members to reach out with any questions to Maddelyn, who can connect folks with the right person

### **Action Items + Closing**

The meeting adjourned at 5:42pm.