

# Willamette Falls

## ◦ LEGACY PROJECT ◦

### PARTNERS GROUP MEETING MINUTES

October 24, 2018

*Tumwater Ballroom, Museum of the Oregon Territory  
211 Tumwater Drive  
Oregon City, OR 97045  
9 – 10 A.M.*

#### Partner Attendees

**Oregon City:** Mayor Dan Holladay, City Manager Tony Konkol

**Metro:** Councilor Betty Dominguez, Metro COO Martha Bennett

**County:** County Administrator Don Krupp, Commissioner Martha Schrader

**State:** Metro Regional Solutions Coordinator Raihana Ansary, Representative Mark Meek, State Parks Deputy Director M.G. Devereux,

**Absent:** Senator Alan Olsen  
Commissioner Renate Mengelberg  
Council President Tom Hughes  
Commissioner Paul Savas

**Staff:** Brian Moore, Hope Whitney, Melanie Reinert, Jonathan Blasher, Ramona Perrault (Metro); Laura Terway (Oregon City); Tracy Moreland (Clackamas County); Marcus Sis (State of Oregon)

**Public:** Andrew Mason, Alice Norris (Rediscover the Falls Friends Group); Betsy Heidgerken (Falls Legacy LLC); John Morgan (City of West Linn); Don Scott (public), other unnamed members of the public

**The Q3 2018 Partners meeting was called to order by meeting Chair, Clackamas County Commissioner Martha Schrader, at 9:04 a.m.**

**The Partners and meeting observers introduced themselves at the Chair's request.**

**Project Manager Brian Moore of Metro shared general project updates.**

- This week, Brian M. traveled to Philadelphia for the American Society of Landscape Architects (ASLA) 2018 conference to accept a national award on behalf of the project.
  - He was joined there by Carlotta Collette (former Metro Councilor, now Rediscover the Falls (RTF) board member) and members of the design team: Snøhetta's Michelle Delk and Matt McMahon and Mayer/Reed's Carol Mayer-Reed and Jeramie Shane.

- Brian M. shared slides of the Phase 1 concept drawings, which have been refined since the rollout of the conceptual design last summer.
  - Phase 1 includes safe and secure access from 99E, temporary parking, access down Main Street to the public Yard area and the Phase 1 overlook.
  - Brian M. highlighted elevation changes and buildings to be removed, repurposed, or left alone during Phase 1.
  - Renderings showed the Yard area in the Phase 1 interim condition and in a later phase when the alcove has been created by soil removal and shoreline restoration.
    - Even in the interim phase, the Yard should serve as a place for public gatherings.
  - A third rendering portrayed the Phase 1 viewpoint area from dam level within the structure.
- The Blue Heron property remains under contract, and the due diligence phase was extended.
  - More updates will be provided as information is available, likely in early December.
- The project team submitted the JPA permit application Army Corps (USACE) which began the Section 106 review.
  - The document was sent out for notices which went to the five tribes and the State Historic Preservation Office (SHPO).
  - Two comments were received from Warm Springs and SHPO and were generally positive and requested ongoing updates.
  - USACE expressed some surprise with how little response there was, and the team is hopeful this is a result of the previous engagement work over the past few years.
  - We are hoping this process will move quickly.
  - Councilor Betty Dominguez was pleased at SHPO's relatively positive reaction.
- Brian M. met with representatives of Army Corps last Friday.
  - The next steps will be to reach out to the tribes as consulting parties to develop an MOU through the Section 106 process.
  - Tribes can choose to be consulting parties or not (self-elected), and USACE will let us know who chooses to participate.
  - After the MOU is complete, the process will seek buy-in from the property owner, SHPO, partner agencies and Metro as the holder of the riverwalk easement.
- The Council of Development Finance Agencies (CDFA) provided some free technical assistance on public infrastructure finance planning evaluation earlier this year.
  - The project was eligible because of EPA brownfields work.
  - The CDFA report is in review, and the document will be finalized shortly.
- Regarding brownfields, a contractor is assembling a final draft of three separate analyses of brownfield cleanup alternatives (ABCAs) reviewing three different issues identified and related approaches to address them.
  - Phase 1 will address the hazardous building materials such as lead paint and asbestos and the four to five underground petroleum storage tanks and related contaminant leakage.
  - These initial studies will include the cost estimates for remediation and propose different approaches for cleanup.
  - The third brownfield issue is soil containing industrial contaminants in fill of the alcove area.
    - This is proposed to be removed to restore historic shoreline as part of Phase 2.
  - The next step is remediation planning to be done in parallel with the next round of design work.
    - This is in preparation for future grants from the EPA and State.

- The project will get grants from the State, but we recently received notice from the EPA that the easement is not sufficient ownership to qualify for EPA grants on the property.
  - Thus, for this phase, the project is not eligible for EPA grant money for cleanup.
    - Grants cap out at \$500k.
    - The project budget for shoreline restoration is millions of dollars, and grants would have helped, but this is not a deal breaker.
    - There may be some strategizing later for approaching title in the alcove area for related grants.
    - Brian M. clarified that any related legal work would be handled internally by the Office of the Metro attorney, and the team is not expecting a need for outside counsel.
- Earlier this month, we released a Request for Proposals (RFP) for design with a focus on completing permits through USACE and Oregon City land use and building permit processes.
  - A designer will need to deliver construction drawings to support the permitting process.
  - This is the construction management general contractor (CMGC) procurement development method.
  - This is halfway between a design bid build method with design and construction team managed internally and a sideboard of a design build with a team that runs itself.
  - The project team will hire a design team, then a construction manager, and then coordinate internally during the design process.
  - A mandatory pre-proposal conference and site visit for bidders is scheduled for Friday, October 26.
    - As many as 100-150 consultants may attend.
    - No questions will be answered during the tour portion, and the team will document questions at a question and answer session.
    - Some out-of-state responses are expected.
    - Deputy Director M. G. Devereux asked how to respond if contacted by potential bidders.
      - Brian M. deferred the question until the RFP update later in the agenda.
- A project schedule snapshot outlining the project timeline was distributed to the Partners, and Brian M. walked the group through recent and upcoming milestones.

*Administrator Don Krupp arrived.*

- Once engineer designs are underway we hope to finalize the USACE permits in spring of the next year and bring on a general contractor that spring/summer for construction drawings in fall of 2019.
  - The goal is to be ready to begin construction in spring of 2020 as planned.
  - Brian M. noted that the project is currently on schedule, and while there is some public anxiety regarding a perceived lack of progress expressed on social media, we are pushing as quickly as we can.
  - A previously-discussed potential risk arises when we next require a signature from the private owner, Falls Legacy LLC.
    - In order for the project to continue moving forward, a signature will be required on the MOA from the joint permit application review and Section 106 process.
- A budget snapshot was distributed to the Partners.
  - Brian M. acknowledged the budget's complexity due to its many contributors.

- The document reflects a best effort to reflect the initial budget for the current two-year cycle (2017 through 2019).
- The first page showed the original budget adopted in the IGA.
- Page two showed the fiscal year 2017-2018 actuals.
- The last page provided a quick summary of percentages of spending progress.
  - Brian M. explained a few spending anomalies:
  - Areas with zero percent spent reflect the project delays due to the owner.
  - The McLoughlin Canemah Trail Plan spending percentage is 709%, because Oregon City landed a grant that was not anticipated prior to work.
  - Areas appearing over budget reflect additional funds not contemplated at time of budget.
    - There was no budget exceedance except in areas where the project received additional grant funds.
- Coordinator Raihana Ansary asked about prospective purchaser for the property.
  - Brian M. explained that there has been an extended due diligence period, and updates will be likely in early December.

**At 9:27 a.m., Brian M. moved into updates on the RFP process.**

- On October 26, 2018, the team is holding a pre-proposal conference.
- Proposals will be due November 20, preceding the Thanksgiving holiday.
- A firm should be under contract next year.
- This rough timeline allows for a review of the contract by TAC and partner agencies.
- The review committee is confidential, so there should be no issues with consultants going around the process to talk to people on the committee.
- The team was instructed not to share any non-public information regarding the RFP.
  - Most questions can be directed to the procurement website, the Oregon Procurement Information Network (ORPIN).
    - This is the only official conduit for questions and answers regarding the RFP.
- General project talking points and RFP talking points were distributed to the Partners.
  - Brian advised the Partners Group to refer to the talking points if they receive questions.
- The RFP addresses many project details, and a successful team will require many skills.

**An excerpt of a draft Risk Management plan was distributed to the Partners Group.**

- The Partners had requested the creation of this document to help manage and communicate potential risks and identify potential mitigation strategies for the project.
- The third page provided a matrix snapshot of “moving target” risks, with the idea to use this matrix as a regularly updated report to the TAC.
  - Concerns would be elevated to the Partners Group when the TAC felt there would be changes to the risk profile.
  - Communication could be by email, one-on-one briefings, or special meetings as in the past.
- COO Martha Bennett asked for clarification on whether the risks evaluated are specifically to the riverwalk or to the project.
  - Brian M. clarified that the document addresses the global project.
  - Separating risk to riverwalk itself is complicated, as the delineation between the riverwalk, economic development, and other project aspects can be fluid.
  - Per Brian M., The WFLP Partners were formed to catalyze the redevelopment of Blue Heron Paper Mill and to guide public investment in site.
    - The primary vehicle for this is the riverwalk.

- The risk assessment tries to address overall risk rather than construction risk to riverwalk itself.
- COO Bennett asked for the TAC to apply the analysis to the riverwalk's smaller scope, as well.
  - The larger redevelopment effort is contingent on the delivery of the riverwalk.
  - Brian M. will assemble this, as it is being planned for part of project management plan for the riverwalk.
  - COO Bennett noted other local projects are taking shape across the river and at the Locks, which have a potential to make the area and related issues more complex.
- Coordinator Ansary noted that the expiration of the State funds is inherently a risk to the project.
  - Brian M. explained that any of the risks noted could then result in a delay which could cascade into a threat of fund expiration.
  - The plan assumes that the loss of funds due to a schedule delay is not a risk but a project constraint.
    - A risk may or may not occur, but if a deadline is missed for any reason, the funds are lost.
    - The project is designed around the funding time constraints.
  - Councilor Dominguez asked about a timeline extension.
    - Brian M. noted that the State funds have been extended a number of times, and if we miss deadline, we could lose the funds.
      - Deputy Director Devereux felt loss was not a given, but that timeline for completion may have to be completed while other funds considered.

**At 9:39 a.m. Andrew Mason, the Executive Director of Rediscover the Falls (RTF) provided updates on his organization's recent and upcoming work.**

- Andrew M. explained that the complicated nature of the riverwalk and the larger project is something RTF has to consider when presenting to audiences who don't know the project's nuances.
  - He and his team have a limited time to inform potential donors and encourage them to invest in the project.
- Formed in 2015 after Partners, RTF is a private entity doing fundraising and engaging the public.
  - A private nonprofit board is their governing entity.
  - As representatives of the project in the private sphere, they can speak differently than an elected or public partner can.
- Andrew M. comes from 22 years of Executive Director experience with a public-private program in Portland.
- Like the Partners, RTF has a shared goal of creating a world class experience at Willamette Falls.
  - RTF views success as a world class experience, but how do they define this?
    - Riverwalk Phase 1 is a concrete answer.
    - Beauty and reverence can bring people back to Oregon City and Willamette Falls.
  - RTF needs to tell the site's story to get large donors: Willamette Falls is worthy of grandeur and protection.
  - Success is a concrete proof of concept and proof of long-term vision.
- RTF's main focus is donors with a capacity for six-to-seven figures (large donations).

- They are currently acquiring prospects and interest, evaluating capacity, and creating a case statement to share with prospects and demonstrate the proof of concept and long-term vision (15 minutes).
    - They are planning to launch a campaign after the winter holiday season in the range of Valentine’s Day.
- RTF is shoring up organizational solidity.
  - They developed a list of campaign readiness needs, adding staff, getting infrastructure, documents, budget, and creating communications materials as part of the pre-launch work.
  - They presented to the TAC and discussed plans in detail.
  - The case statement draft has been shared with the TAC for review.
    - The goal is to educate the audience on the project and encourage giving.
- Willamette Falls is not well-known, but we can compare its potential to iconic parks.
  - Oregon needs to have a statement of Oregon City pride, a jolt at end of Oregon Trail that is worthy of national pride.
  - Andrew M. highlighted the complex history of the site and the core values of the project.
  - There is a strong need for active programming, spaces, and a structure for experiences and education.
- Later phases require money to be raised long term (\$150M), and Andrew explained that a big number can lead to large donations.
  - The “asterisks” on the phases will happen because of philanthropy with shrewd public investments.
  - Donors should know we are wisely using wisely philanthropic investments for long-term development.
  - Phase 1 has components for specific support from RTF, while public funding covers the basic concepts.
  - An important message is creating public access forever and bringing the Falls out of sealed access.
    - This is philanthropy leaving a legacy for the long term.
- Communications and collateral are being developed.
- RTF hopes to establish an advisory council and get an ambassador council with endorsements from congressional delegations.
  - They need a good letterhead of partners transcending politics.
  - Willamette Falls should be beyond politics as they seek endorsements from elected officials.
- RTF should raise an extra \$10M for the project, and they have \$5M already (pre-campaign).
- They are creating a campaign council with co-chairs signing on for the launch in February. RTF expects success, and they will have concerns about what to do with Phase 2, Phase 3 and ongoing fundraising.
- Coordinator Ansary asked about parameters on spending regarding programming and the site.
  - Andrew M. explained it’s largely donor-centric, as some gifts come with restrictions that need to be approved by the board.
- The Partners were encouraged by Andrew M.’s update and were encouraging of RTF’s ongoing work.
- Commissioner Schrader asked about a donor list.
  - Andrew M. shared that RTF has a pipeline prequalifying up to \$17M for the community campaign.

**At 10:00 a. m. the Partners Group began group updates:**

- Representative Mark Meek and Commissioner Schrader shared news about the Willamette Falls Locks.
  - Representative Meek noted the legislative side will work on bills and budgeting supporting the eventual partnership and IGA for an entity to take over.
    - They are planning with the Department of State Lands (DSL).
    - They are working with USACE and permitting.
    - Ownership will be transferred to a different entity.
  - Commissioner Schrader shared that KPFF did a preliminary study that provided an accounting of work on that side for operations, costs, options, etc.
    - The Locks are in good shape, and the numbers look good per Representative Meek (\$12-\$15M).
- Mayor Dan Holladay requested that at the next Partners meeting, the group discusses the issue of riverwalk ownership.
- The Partners thanked everyone for attending and praised RTF's work so far.

**ACTION:**

- **Staff should consider and develop the risk management plan specifically for the riverwalk.**
- **Plan for further discussion of the riverwalk ownership (required as the project moves into the CMGC process).**

Chair Commissioner Schrader adjourned the meeting at 10:05 a.m.