

Clackamas County Circuit Courthouse

One project.
Two phases.

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Report by the Office of County Internal Audit

Jodi Cochran, CPA, CIA, CGMA, CRMA
County Internal Auditor

Kathy Yeung, CPA, CIA
Senior Internal Auditor



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I. Executive Summary





Phase I

Meeting time and cost goals of building the courthouse

Phase II

Sustaining 30-years of contract administration

The Clackamas County Circuit Courthouse construction project is nearing the August 29, 2025, completion date on time and on budget. The county began facilitating relocation activities in early May 2025 and the courthouse was officially opened to the public on May 19, 2025. The county's project management team worked hard to achieve these milestones.

Oversight of the project agreement between Clackamas County and Clackamas Progress Partners will be transitioning from a construction project management priority to a long-term contract administration priority. To strengthen quality, sustainability and consistency of contract administration over the 30-year contract life, guidance should be developed and documented.

Meeting the price agreement payment terms, county payments will be adjusted annually using an inflation index based on a 2022 Consumer Price Index. Scenario analysis of potential inflation factors demonstrates the sensitive nature of the 30-year payment forecast. County forecasting and budgeting activities will be essential in monitoring and reporting these impacts during the contract's life.

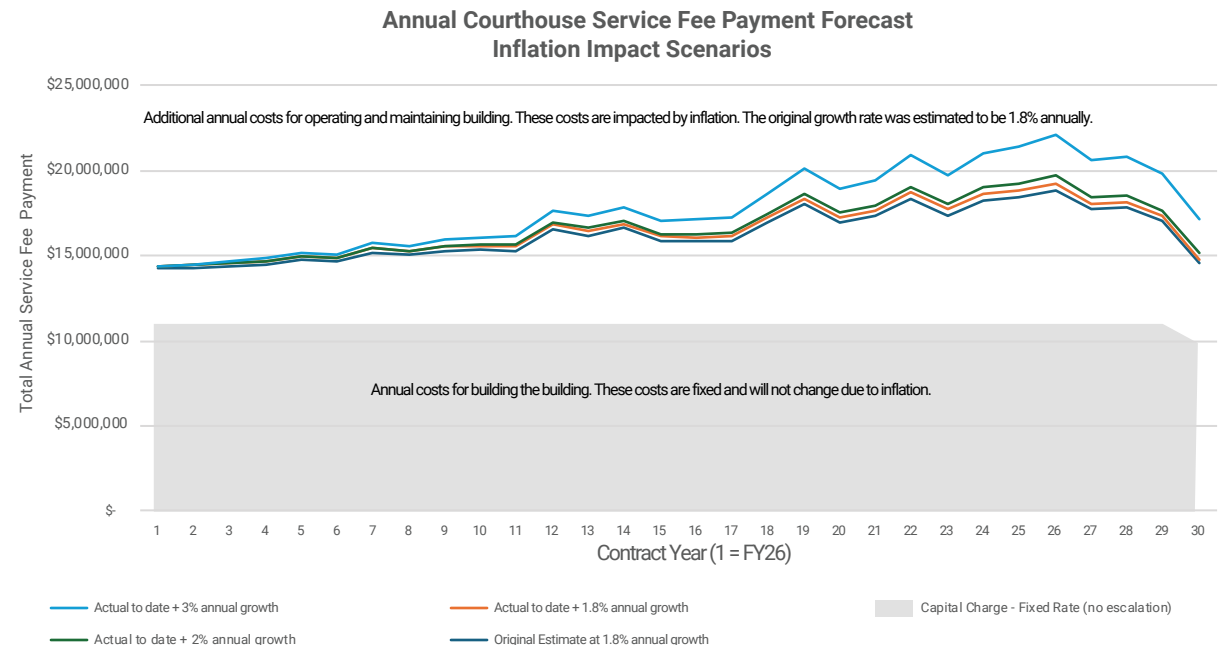


Figure 1 Source: Prepared by the Office of County Internal Audit based on project agreement and indexation calculations detailed in figure 14. See Appendix A



Thank you

Acknowledgements and gratitude

This report was developed with the assistance of many county partners.

County Operating Officer and Project Manager Nancy Bush and Finance Director Elizabeth Comfort, as the primary engagement contacts, have contributed their time and effort to provide access to the information and data cited. These contributions significantly supported the completion of this review. This support was provided by Nancy Bush and Elizabeth Comfort while they were simultaneously managing and contributing to the project and maintaining daily operating activities. Time dedicated to all these goals is much appreciated.

Collaborative efforts are vital to the county's ability to successfully meet objectives, as well as identify, thoroughly analyze, and appropriately respond to risks. We demonstrate our core values, SPIRIT¹, when we collectively and proactively identify steps to streamline processes, strengthen controls, and mitigate risks.

In addition to County Operating Officer and Project Manager Nancy Bush and Finance Director Elizabeth Comfort, special thanks to Caroline Hill, Tony Mayernik, Andrew Jarocki, Jeff Jorgensen, Stephen Hill, Daniel Robertson, Rick Cole, Steven Bloemer, Ryan Rice, Juli Johnson, Nate Boderman, Stephen Madkour, Andrew Naylor, Amanda Keller, Tori Klaus, Jane Vetto, Caleb Huegel, Gari Johnson, Ed Nieto, Mark McBride and Dylan Blaylock, as well as many others that supported this audit engagement. This list cannot begin to be comprehensive or fully recognize the many individuals who also committed significant amounts of time and energy to the courthouse construction project while continuing to fulfill their daily operating responsibilities.

¹ [Clackamas County Core Values](#) – Service, Professionalism, Integrity, Respect, Individual Accountability, Trust



Five recommendations for supporting contract administration activities

Recommendations

Five recommendations supporting contract administration activities for the Clackamas County Circuit Courthouse Project Agreement are offered. These recommendations are designed to facilitate process improvements and enhance risk mitigation. Detailed observations and recommendations are included in this report.

- 1** Forecast the annual courthouse payments using the same Consumer Price Index growth rate assumption generally applied to the 30-year General Fund forecast.
- 2** Provide annual courthouse project agreement status reports to the Clackamas County Board of County Commissioners.
- 3** Retain all Clackamas County Circuit Courthouse Project Agreement contract documents, including the final financial model, amendments and change orders, in the contract file within the county's procurement retention system.
- 4** Take actions to strengthen sustainability, quality and consistency of contract administration over 30-year life of contract.
- 5** Identify and document lessons learned to inform future capital construction projects.

Management response

Management generally agrees with the recommendations made and has provided detailed responses in this report.