A. Welcome / Introduction

Deidra Krys-Rusoff, Oregon Zoo Bond Citizens’ Oversight Committee Chair, opened the meeting at 3:04 p.m. and welcomed members, including the eight newly appointed members. Members, staff and guests introduced themselves.
B. Approval of Nov. 13, 2013, Oversight Committee meeting minutes
Members approved the minutes of the Nov. 13, 2013, Oregon Zoo Bond Citizens’ Oversight Committee (“Oversight Committee” or “the Committee”) meeting.

C. Committee media protocol
Heidi Rahn reminded members that as the Committee Chair, Deidra Krys-Rusoff is the spokesperson for the Committee. Members should refer media questions to her. Zoo staff will continue to send Committee members relevant media updates as they are published.

D. Zoo Public Art Advisory Committee representative
Heidi Rahn explained that the zoo has a Public Art Advisory Committee that advises the zoo on the one percent of construction costs that go for public art. That art committee needs a representative from the Oversight Committee, to fill the spot vacated by Marcela Alcantar. The art committee meets quarterly and will assist this summer with selection of the second commissioned artist. Ruth Shelly volunteered to serve a two-year term.

E. Oversight Committee Annual Report to the Metro Council
Chair Krys-Rusoff provided a draft report for the Committee’s annual report to the Metro Council for 2014. This first round of editing is to make sure that the main points are covered with a clear meaning, and word smithing will be handled later. She will send members a revised draft for another review before it is submitted to Metro for formatting. She read through the draft, and members discussed the following:

Reporting Item 1: Assessment of progress

Elephant Lands
Staff clarified the funding for the train relocation work being done as part of the Elephant Lands project. The zoo has received permission to obtain an interfund loan from the Metro general fund to cover costs for this portion of the project that exceed the budget. The loan amount, approximately $350,000, will be added to the bond funds to complete the train per current construction plans. The Committee noted that since this work has not yet been done, it would be included in its 2015 report, and not the current report.

Members discussed adding a footnote to the report to clarify the meaning of bond premium funds.

Members briefly discussed the geotechnical conditions that cause earth movement at the zoo. The service road and all buildings being built include movement mitigation.

Councilor Shirley Craddick suggested that Minority, Women and Emerging Small Business (MWESB) accomplishments be included in the report. She feels it is remarkable what has been done for MWESBs, including the mentoring program through the Elephant Lands contractor Lease Crutcher Lewis.

Mickey Lee requested more information regarding the history of the program's MWESB work. Staff agreed to follow up with Mickey directly.
Members noted that land use and construction permitting can influence project cost and schedule and will be an ongoing risk. Recommending an edit to the draft report, staff clarified that not all the Elephant Lands delays were due to the City of Portland permitting delays.

**Remote Elephant Center**
The Committee discussed the Remote Elephant Center (REC) section of the report, with a broader discussion about the project itself. Chair Krys-Rusoff cited the bond language from Metro Resolution 08-3945 referring the bond measure to voters. The resolution called for a feasibility study of an offsite elephant facility and setting aside bond funds for potential development, but the actual language in the voter’s pamphlet did not include reference to an offsite elephant facility. Chair Krys-Rusoff reiterated that bond funds can only be used for capital construction and are not to be used for on-going operation.

Sharon Harmon noted that it may not be the Committee’s authority to speak to the need to have funds to operate the REC. Bill Kabeiseman said the Committee can recommend project modifications, if needed, and that it does not want to have inoperable projects. Penny Serrurier clarified that the Committee is only recommending, and not approving. Joel Morton concurred that it is okay to express the opinion of the Committee. The group agreed to keep the recommendation that operating funds be identified prior to construction of an offsite elephant facility. Joel Morton added that the business plan will determine the land use work and permitting for the REC.

Chair Krys-Rusoff expressed concern that current staff need to focus on the existing zoo campus capital projects that were publicly promised on the ballot measure and may not be able to handle the work load for the REC planning. Kim Smith said the zoo staff is stretched to the limit now with Elephant Lands, Condors and Education Center projects. The zoo doesn’t have the staff capacity to design and construct the REC project in tandem with another large project. Ms. Smith clarified that the staff desires the REC, but if the REC schedule is to be moved up, the approved master plan schedule would need to be adjusted.

Councilor Craddick asked if Metro extended the option to purchase Roslyn Lake due to limited staff to the REC project. Ms. Smith noted that the extension on the Roslyn Lake option was not due to lack of staff, but was necessary for Metro and Portland General Electric to complete due diligence on the property.

Ruth Shelly noted that oversight boards should recommend the “what” and not the “how.” The group agreed to remove the language in the report that recommends additional staffing, but to summarize the challenge given the competing demands for limited staff capacity.

The REC funding and expenditures were reviewed. The bond program REC project budget is $7.2 million, which includes $1.3 million of OZF’s contribution for the property purchase and due diligence. To date $39,672 of bond funds have been spent on the REC feasibility study. To date, $66,532 of nonbond funds have been spent for Roslyn Lake due diligence, paid with OZF funds in the zoo capital fund.

Members asked whether Metro may want the Roslyn Lake site even if it cannot be used for the REC. Metro does not see a natural areas use for the property, but said it felt it would be a safe bet to re-sell, if Metro decided not to keep it.
Some members speculated that the REC work could jeopardize projects that the voters approved by detracting staff, and others said animal welfare could be better with the REC. Ms. Smith said the onsite Elephant Lands will be a huge improvement for animal welfare, with an amazing vision for activities every day for the elephants. The REC is an extension of that vision and part of the future of the elephant program. The current Elephant Lands exhibit will provide pioneering concepts in activity and overall welfare for the elephant family that meets the bond promise of increasing welfare for the zoo’s elephants.

When asked what the Committee could do to help move this vision forward, Ms. Smith said that for the welfare of the elephants, the new habitat will provide a new and enriching environment. Clarification was given on if elephants would be moved back and forth between Elephant Lands and the REC. Ms. Smith stated that the two projects were part of an overall vision for the elephant program, the new habitat at the zoo would provide excellent welfare, and it was not in the best interests of the elephants to move them back and forth. The elephants need to have familiarity with their new habitat, and the REC was intended to provide a place for animals that needed to move away from the herd for a while, such as bulls or a small family group in the future.

Jani Iverson added that the zoo has had very thoughtful engagement with the full staff to make the right decisions on projects to benefit the animals.

Ms. Smith said that the zoo bond also stated that there were other animal areas identified for improvements such as primates, polar bears and rhinos. These areas are a high priority as well. We need to remind ourselves that the elephants will have their new habitat and that the zoo needs to keep the other animal areas a high priority. They deserve improved welfare too.

Members questioned the Committee’s role with regard to the REC. Chair Krys-Rusoff said the Committee’s charge is to look at whether there are process improvements to help the bond program. The REC project is an ongoing concern of the Committee, and it will continue to monitor the schedule and resources applied to the project.

**Ongoing operation costs**

Members discussed the recommendation in the report to monitor ongoing operation costs and provide an update on the assumption regarding cost-neutral operations with bond projects. Members wondered whether the bond projects would result in increased zoo staffing. Ms. Smith said staffing is not increasing due to the bond projects. If zoo staff has increased, it is because of the zoo running so thin in the past, and is a reflection of the broader needs of the zoo. Zoo staff noted that the REC as an additional operation is not cost-neutral. It is currently estimated to cost $800,000 or more per year to operate, and the zoo would need to find revenue to run it.

**Completed bond projects**

The Committee will include an ongoing projects section in the report, including the Water Main project, which enabled sustainability and water-saving measures in other projects.

**Reporting item 2: Spending trends, current cost projections and independent auditors’ report**

The Committee reviewed reporting item 2, and had few changes to the draft. Chair Krys-Rusoff observed that not all bonds have been issued. Yields have moved up, so selling the remaining
bonds may cost more than anticipated. A large portion of the bond funds are being spent in the next two years.

**Report presentation to the Metro Council**

By Wednesday, Feb. 19, 2014, Chair Krys-Rusoff will send members a second report draft to review. Members can respond to her with edits by the following Tuesday, Feb. 25. She needs a quick turnaround to have the report ready for the Metro Council meeting on March 20, when she will present the report to the Council.

Also at the March 20 Council meeting, Heidi Rahn will update the Council on the total bond program, including the commitments expressed to the voters. Zoo education curator Grant Spickelmier will also talk about the Education Center vision. Staff will let the Committee know about details of the meeting, in case they want to attend.

**F. Monthly Project Updates**

1. **Elephant Lands**—Metro is receiving $130,000 from the Energy Trust of Oregon for energy rebates on Elephant Lands. The project lost a few days due to the recent snowy weather. Elephants are scheduled to move into some of their new habitat – the encounter habitat – approximately the end of February. The encounter habitat is where visitors will be able to see the keepers caring for the elephants, as part of the zoo’s effort to be transparent about the animal care. Other new Elephant Lands habitats will be more focused on elephant activities. Phased construction will keep the elephant family onsite, and at no point during construction will they have less space than they have now.

2. **Condors of the Columbia**—The new Condors of the Columbia habitat is planned to open in May, and the Committee members will be invited.

3. **Remote Elephant Center**—More than 50 people attended the Education Center design RFP pre-proposal meeting. A design consultant team is scheduled to be selected in March.

4. **Interpretive Experience Design Services**—no discussion

5. **Percent-for-Art**—The Elephant Lands commissioned art work is proceeding. The Education Center commissioned artist selection will take place this summer.

**G. Program Status and Financial Information at a Glance**

Heidi Rahn offered to meet with any Committee members one-on-one as desired to review the program financials.

**H. Program Schedules**

Sharon Harmon requested that the Remote Elephant Center project be added to the program schedules, to show progress. Ms. Harmon noted that the Oregon Humane Society board questions what is being done on the REC and having a schedule would be helpful.

**I. Open Discussion/Questions**

Kim Smith reported that the zoo was closed for four days the previous weekend due to the snow and ice. She said the staff who stayed for three nights at the zoo to take care of the animals were awesome! Keepers that live close came in on Sunday. Facilities and horticulture crew were instrumental in keeping everything running. The zoo was gorgeous with its blanket of snow. Monday
was one of the most challenging days with ice shards and sheets falling from the trees and buildings, which led the zoo to remain closed.

Ms. Smith does not expect the closures to have a big impact on zoo revenue. February is typically the lowest revenue month anyway, and the upcoming Condors of the Columbia opening will help in the spring.

Deborah Herron said that she was very appreciative of staff’s extra service during the closures and asked that her remarks be conveyed to staff.

J. Adjournment
Chair Krys-Rusoff adjourned the meeting at 5:00 p.m.

Meeting dates for 2014 –Wednesdays, 3 to 5 p.m. at the Oregon Zoo:

May 14, 2014  Kalahari Room, Oregon Zoo
Sept. 10, 2014  Skyline Room, Oregon Zoo
Nov. 12, 2014  Kalahari Room, Oregon Zoo