



**Oregon Zoo Bond
Citizens' Oversight Committee**
Metro Regional Center – Rooms 370 A, B
Wednesday, May 9, 2012
3 to 5 p.m.

MINUTES

MEMBERS PRESENT

Deidra Krys-Rusoff (Chair)
Marcela Alcantar
David Evans
Ann Gravatt
Sharon Harmon
Benjamin Jackson
Bill Kabaiseman
Bob Tackett

AFFILIATION

Ferguson Wellman Capital Management
Alcantar & Associates
The ODS Companies
Climate Solutions
Oregon Humane Society
REAP, Inc.; Jefferson High School
Garvey Schubert Barer
Northwest Oregon Labor Council

MEMBERS ABSENT

Jacqueline Bishop
Greg Gahan
Jim Irvine
Tony Jones
Carter MacNichol
Sheryl Manning
Ray Phelps
Penny Serrurier
Michael Sestric

AFFILIATION

Jacqueline Bishop Law
NW Construction Management, Inc.
The Conifer Group, Inc.
Metropolitan Contractor Improvement Partnership
Shiels Oblatz Johnsen, Inc.
Oregon Zoo Bond Citizens' Oversight Committee
Allied Waste Services
Stoel Rives LLP
Michael Sestric Facilities Planning

GUESTS

Denine Heinemann
Holly Gann
Courtney Scott
Nick Stack
Eileen Stark

Beyond Productions

ELECTED OFFICIALS AND STAFF

Shirley Craddick
Suzanne Flynn
Jim Mitchell
Joel Morton
Margo Norton
Joanne Ossanna
Scott Robinson

Metro Councilor
Metro Auditor
Oregon Zoo Bond Construction Manager
Metro Senior Attorney
Metro Finance and Regulatory Services Director
Oregon Zoo Finance Manager
Metro Deputy Chief Operating Officer

Brent Shelby
Marcia Sinclair
Craig Stroud
Cheryl Twete

Oregon Zoo Bond Project Manager
Oregon Zoo Public Involvement
A Better Zoo (Oregon Zoo Bond Program) Director
Metro Senior Development Advisor

A. Welcome / Introduction

Chair Krysov-Rusoff opened the meeting at 3:04 p.m. and welcomed members. Members introduced themselves.

B. Approval of Feb. 8, 2012, Oversight Committee meeting minutes

Members approved the minutes of the Feb. 8, 2012, Oregon Zoo Bond Citizens' Oversight Committee ("Oversight Committee" or "the Committee") meeting.

Chair Krysov-Rusoff reported that she had presented the committee's annual report to the Metro Council. Craig Stroud accompanied her. The Councilors asked several questions and thanked the committee for their service.

C. Land Use Projects – Information Update

Cheryl Twete, Metro senior development advisor, presented an update on land use. She delivered the information contained in meeting packet section C document, and presented a slide presentation of images for the future South Entry vision.

Chair Krysov-Rusoff—with removal of the West Lot from the zoo's new CUMS application, is funding from the 2008 zoo bond or another source?

Craig Stroud responded that the application will fund from the zoo operating fund and not the 2008 bond.

Scott Robinson added that separating the West Lot application allows neighbors to focus on an issue that is central to them without holding up bond program progress.

Cheryl Twete discussed the draft Good Neighbor Agreement (GNA).

Craig Stroud asked if the zoo is required to create a GNA as part of the CUMS.

Cheryl Twete responded no, a GNA is useful to document agreements and commitments reached among parties but is not a requirement of the CUMS process.

Cheryl Twete described a new draft parking agreement being negotiated with Portland Parks. Parks intends to assume parking management duties by the end of the year.

Sharon Harmon—Do you anticipate issues if parking meters are installed while the land use application is going through the process?

Cheryl Twete responded that the zoo already charges nonmembers a parking fee and meters are viewed as a different system, but not a new concept.

Bill Kabaiseman stated that neighbor impacts could arise when meters are put into use through increased parking spillover.

Cheryl Twete said that some neighbors believe the lot needs the meters to incent other mode splits and some say neighbors shouldn't be charged to use their neighborhood park.

Cheryl Twete presented slides of a visioning study of the south entry

Scott Robinson stated that the visioning study is not bond-funded. The envisioned improvements are not funded yet and are conceptual.

Craig Stroud said that some stormwater management and landscaping improvements in the vision are required by city code, and will need to be phased within five years. Other improvements, such as the parking garage, need funding identified and the schedule is not known.

Marcela Alcantar said she understands the vision is not bond-funded, but asked if there is a separate funding source identified for the vision improvements.

Craig Stroud replied that the zoo and Portland Parks are funding the vision work and that some revenues from paid parking are intended to fund some of the vision improvements. Funding for the grand vision of a parking garage and new green space has yet to be determined.

Sharon Harmon asked where the \$100,000 in budget variance for land-use would fund from - contingency or future project elements.

Craig Stroud responded the program is carrying healthy contingency reserves for just this reason. Cost control and management is an important program consideration and is always an important focus of the program's work. The program also concluded all three previous construction projects under budget – Veterinary Medical Center, Penguin Life Support System Upgrade, and the Water Main Building.

Ann Gravatt asked for clarification on the elements of the \$680,000 of new CUMS land use work.

Craig Stroud responded that estimate includes costs for Cheryl Twete on land use and Marcia Sinclair's time for public engagement plus consultant fees. All technical work is represented. The estimate does not include an extended legal process, as those costs will depend on the choices made at that time.

D. Elephant Habitat and Related Infrastructure – Entering Design Development

Jim Mitchell delivered the information contained in meeting packet section D document.

Craig Stroud said the zoo director and staff are pleased with the design revisions. Most design changes were subtle details that wouldn't be obvious to external stakeholders. Most related to eliminating or minimizing large site soil cuts.

Jim Mitchell stated the design process has three formal budget review milestones to ensure the design scope matches available funding.

Councilor Craddick asked if the revised design aligns with the philosophy of No Animal Left Indoors.

Craig Stroud responded yes, the design changes did not compromise any of the animal programming or choice features in previous designs.

Scott Robinson added that the CMGC process has been very helpful to provide information about constructability and cost estimates. He asked Craig and Jim to discuss benefits of CMGC observed to date.

Craig Stroud responded that CMGC is an alternative contracting process that brings a general contractor into the design phase instead of waiting until the construction phase. The general contractor provides constructability, phasing, cost estimating, and risk management information to inform the design process. The process results in the three project partners—owner, architect, and contractor – working together through design. In the case of a complex project, the contractor can provide valuable insight and information. Under a standard design-bid- build process, the valuable contractor perspective is absent until sealed envelopes are opened and the contract is subsequently awarded based on the low bid. For complex projects, design flaws or changes result in costly change orders with budget risk.

Ann Gravatt asked if anyone thought about feasibility and challenges of the ravine connection in elephants, given the zoo’s geologic conditions and history.

Jim Mitchell responded that past geotechnical studies concluded the hill area had subsurface rock. Recent borings concluded that the hill and surrounding areas are silt from a prehistoric landslide. Jim described former landslides and measures taken to stabilize the area since the 1950s.

Craig Stroud added that the elephant pre-schematic relied on the work of a separate geotechnical firm that used prior analyses and above ground site observations to inform the design. The program believes geotechnical risk is one of the greatest risks facing the elephant project and that the work of the current geotechnical engineering firm to bore test sites and analyze subsurface conditions was reasonable and important to perform early to mitigate those risks.

E. One Percent-for-Art – Committee Representation

Marcela Alcantar volunteered to serve on the committee.

F. Monthly Project Updates

No substantive discussion other than what was discussed in agenda items C and D.

G. Program Status and Financial Information at a Glance

Chair Kryz-Rusoff stated it appears everything is on track except the land use budget overages.

H. Consolidated Oregon Zoo Bond Program Schedule

No substantive discussion

I. Open Discussion/Questions

Craig Stroud announced the retirement on April 13 of Lee Campbell, bond program project manager. The program is assessing and modifying the position’s duties to align with upcoming program needs.

Chair Kryz-Rusoff asked management’s confidence in the success of the West Lot strategy.

Scott Robinson responded that the strategy is intended to reduce risk for the zoo’s new CUMS application.

Chair Kryz-Rusoff asked about the process to identify funding for the remote elephant center operating costs.

Craig Stroud responded that the zoo director is discussing this issue with the Oregon Zoo Foundation. The foundation is creating a development plan to guide their support activities.

Scott Robinson added that staff continues to work on operational costs and that the estimate of costs is tied to the specific property chosen.

Bill Kabaiseman asked about possible revenue generating activities for the REC.

Craig Stroud said a range of possibilities is being explored. Ideas include educational programming activities such as camps and classes, elephant viewing fees, rental of portions of the site, etc. No conclusions yet, and some activities may not be allowable due to land-use restrictions.

Sharon Harmon asked how a program surplus would be used.

Craig Stroud responded that program staff would make recommendations. The Oversight Committee would have a role about how to use surplus funds. The use would have to be capital and not for operations.

Councilor Craddick asked the current schedule to move the penguins into their exhibit.

Craig Stroud responded the current schedule is early summer.

Chair Krysovoff adjourned the meeting at 4:26 p.m.