



Oregon Zoo Bond Citizens' Oversight Committee

Oregon Zoo – Skyline Room
Wednesday, Nov. 8, 2017
3 to 5 p.m.

Oregon Zoo Bond
Citizens' Oversight
Committee Meeting

Nov. 8, 2017

Minutes

MINUTES

MEMBERS PRESENT

Susan Hartnett (Vice Chair)
Noah Bishop
Heidi Goertzen
Deborah Herron (via phone/GoTo mtg.)
Mickey Lee
Jill Mellen
Robyn K. Pierce
Katherine A. Porras
Kevin Spellman
Christi L. Taylor

AFFILIATION

Spectator Venues, City of Portland
Bishop Bankruptcy Law, LLC
Ferguson Wellman Capital Management
Walmart
NW Natural
Research Biologist
Pierce, Bonyhadi & Associates
Meyer Memorial Trust
Spellman Consulting, Inc.
Miller Nash Graham & Dunn

MEMBERS ABSENT

Ruth Shelly (Chair)
Dan Aja
Dick Stenson
Karen Weylandt
Daniel S. Morris

AFFILIATION

Portland Children's Museum
Banfield Pet Hospital
Retired healthcare executive; community volunteer
Providence Health & Services
Daniel Morris Research, LLC

GUESTS

None

AFFILIATION

ELECTED OFFICIALS AND STAFF

Stephanie Cameron
Shirley Craddick
Julie Fitzgerald
Caleb Ford
Kate Giraud
Sharon Glaeser
Jim Mitchell
Don Moore
Joel Morton
Linnea Nelson
Heidi Rahn
Grant Spickelmier
Nadja Wielebknowski

Oregon Zoo Marketing and Communications Manager
Metro Councilor
Oregon Zoo Foundation Executive Director
Metro Assistant Finance Manager
Oregon Zoo Bond Assistant Project Manager
PSU PhD. Student, Elephant Welfare Study Research
Oregon Zoo Bond Construction Manager
Oregon Zoo Director
Metro Senior Attorney
Oregon Zoo Bond Program Coordinator
Oregon Zoo Bond Program Director
Oregon Zoo Education Curator
Oregon Zoo Conservation and Research Manager

A. Welcome / Introduction

Vice chair Susan Hartnett opened the meeting at 3:04 p.m., and members and staff introduced themselves. Chair Ruth Shelly is out of town. Two members of the Oregon Zoo Bond Citizens' Oversight Committee ("Oversight Committee" or "the Committee") have resigned in the past two months: Mike Schofield with Gresham-Barlow School District due to being busy with implementing his own school district's bond measure that recently passed; and Tom Turnbull with Open Sesame due to travel conflicts.

Heidi Rahn, zoo bond program director, announced that several members' terms will be ending this coming spring, and she will be recruiting for new members to start in April of 2018. Members' terms that will end in spring 2018 include Noah Bishop, Deborah Herron, Mickey Lee and Daniel Morris. The two positions vacated by the recent resignations can also be filled. Chair Shelly's term will end in December 2018. As part of the new member recruitment process, Ms. Rahn has been meeting with the Coalition of Communities of Color, an organization working with Metro to promote equity on Metro's committees, to see if they can align their interests.

Scott Robinson, Metro deputy chief operating officer and the person to whom the bond program reports, is officially retiring from Metro the end of November. He is traveling out of the country and not able to attend today. Mr. Robinson has been instrumental in setting up the system and parameters of the bond program, has helped navigate the challenges, and has been critical to the success of the program. He will continue working with the bond program for a few months in a consulting capacity, and staff will have access to consult with him. A recruitment for a new Deputy Chief Operating Officer is currently under way.

In December, the zoo bond program reporting will shift to Scott Cruickshank, the Metro general manager of visitor venues, who oversees the zoo, among other Metro venues. He reports to Metro COO Martha Bennett. This is expected to be a seamless transition, since he has been involved with the bond program over the past year. He has attended Oversight Committee meetings before and will attend in the future (he had a prior conflict today and could not attend).

B. Approval of Sept. 13, 2017, Oversight Committee meeting minutes

Members approved the minutes of the Sept. 13, 2017, Oversight Committee meeting.

C. Zoo and Oregon Zoo Foundation Updates

Oversight members were invited to attend an employee preview night of ZooLights on Monday, Nov. 20. They were also invited to purchase tickets for the first BrewLights on Wednesday, Nov. 29, an adult-only evening at ZooLights with breweries, wineries and cideries serving.

Don Moore, Oregon Zoo director, gave an update. He reviewed a trip he made recently to Churchill, Manitoba, Canada with several zoo keepers, Oregon Zoo Foundation staff, and Oversight Committee member Christy Taylor. On their way, they visited the Assiniboine Zoo, which won an award last year for its polar bear habitat. It was great to see habitat elements that are working for them that are also designed into the Oregon Zoo's new Polar Passage project.

Conditions for bears in Churchill are becoming more challenging. While US zoos, including the Oregon Zoo's Polar Passage, could serve as home to bears from the Churchill area, with their designation as "threatened" under the US Endangered Species Act, the US Marine Mammal Protection Act precludes importing polar bears to the US. One exception is for polar bears identified

as research populations. With the success of the Oregon Zoo's work in support of field conservation science, zoo staff are working with zoo colleagues and polar bear conservation stakeholders to encourage establishment of a research population.

While in Churchill, Dr. Moore met with Bill Watkins who wrote the Manitoba Standards for polar bear habitats and placement. Mr. Watkins asked about the plans for saltwater in Polar Passage. Although saltwater is not in the standards, it showed he was concerned about it. All of the Polar Passage pools are planned to have saltwater, a feature that will likely be one consideration for placement of polar bears in the future. Increasing the amount of saltwater in the Polar Passage design was a scope and budget amendment to the project. It is important to build the new habitat to meet the needs of bears, people and research.

Dr. Moore showed a short video clip of a polar bear he observed at Churchill. He discussed the bears' keen sense of smell, their familiarity with seeing visitors and the variable health of the bears observed. He indicated that the Arctic ice has been receding. The Northwest Passage was open for five months instead of the more normal three months. Local people are concerned with the lack of ice coming in for the winter. Ms. Taylor also spoke highly of the trip, indicating that she had learned a lot and was very moved by the encounters with the bears. Dr. Moore said it was stimulating to see the bears in the wild and encouraged members to consider going on another trip to Churchill next year.

The Oregonian featured extended, multi-article coverage of Nora, the Oregon Zoo's young polar bear that recently went to the Hogle Zoo in Salt Lake City. Overall, the five-part series was fair and factual, and the zoo appreciates the great coverage. Ms. Rahn noted one error that said construction was delayed twice due to Nora, and that is not the case. Construction has never been delayed due to Nora.

Yesterday was the zoo's 129th anniversary since its beginning in 1888. That makes it one of the oldest zoos in the US, and the second oldest west of the Mississippi. Dr. Moore thanked Oversight member Dr. Jill Mellen for her early work as a staff person at the zoo. The new Polar Passage will provide visitors with a view into the zoo's polar bear work and history, and efforts to enhance the lives of bears in the wild.

Dr. Mellen shared that she is reviewing literature of visitors' perceptions of animal welfare at zoos, and found that visitors want to know the welfare of individual animals. It may be that they cannot hear a conservation message until they know that an individual animal is properly cared for. She gave kudos to the zoo for its focus on animal welfare, and noted that she hears that focus at every Oversight Committee meeting.

Oregon Zoo Foundation executive director Julie Fitzgerald also gave an update. The OZF board has approved a commitment to provide \$1 million for Primate Forest and rhino habitat projects, and is beginning a campaign to raise that money. The \$750,000 for primates includes a previously reported \$237,000 bequest from a long-term volunteer whose family wanted to make a contribution to chimps. Part of the goal of the campaign is also to engage more donors who have connections to certain animals and want to further support those animals. The OZF board had previously committed \$2.2 million for Polar Passage. Ms. Rahn acknowledged Ms. Fitzgerald for her leadership in guiding the OZF board through the opportunities for supporting the Primate Forest/Rhino project.

D. Monthly Project Updates

Heidi Rahn and Jim Mitchell provided updates:

- 1. Education Center** – The punchlist for the project is complete, and the commissioning of the 731 solar panels is in the final stages. As with most construction projects, the zoo hires a commissioning agent to go through all building systems and make sure they are working properly. After commissioning, the team will implement the building's energy dashboard and track performance for a year for net-zero energy operations certification.
- 2. Polar Passage, Primate Forest and Rhino** – The construction start schedule was extended a month from mid-April to mid-May 2018, mostly due to delays in permitting. Staff is meeting with the City of Portland, hopefully to identify construction early work packages that will allow construction to start while the main permit is still under review.

Cost escalation generally is running about 4.5 to 5 percent. Kevin Spellman said he is seeing higher escalation with certain trades on Portland Public Schools projects (he serves on the PPS Oversight Committee). He noted that the challenge is to take regional or national percentages and apply them to a local project, because each one is unique. Some projects are so large that they have a very limited pool of contractors, because only a few companies have the capacity and size to do so. Other members agreed that capacity in this Portland-metro area is a problem. Mickey Lee is also concerned about losing Northwest Natural's suppliers, as well as a possible 10 percent increase in costs. General contractors Mortenson, Turner and Lease Crutcher Lewis are all saying to estimate 3.5 to 4 percent cost escalation for next year. Vice chair Hartnett is seeing longer lead times than she has ever seen on some supplies for her City of Portland projects. Mr. Spellman encouraged staff to not let the contractor attribute all cost increases to market conditions and cost escalation.

The project team is constantly working to value engineer the project to bring it into budget. With the OZF contributions, the Polar Passage portion appears to be on budget at this time. The team has more work to do on the Primates design, but should have both at 100 percent design development by the first of December. Once 100 percent design development is reached, detailed estimates are due from the contractor and design firm. When those estimates are reconciled, staff will have a better picture of the costs. The zoo bond staff have inserted themselves into design team meetings to make sure the designers stay on track. Ms. Rahn thanked Mr. Mitchell and his team for this extra effort. The project will be at 100 percent design development by mid-December, and design should be completed in May 2018. Some aspects of design will be completed and submitted to the City in February for the construction early work packages, e.g., for demolition and some civil work. Roughly four to five months of early work can be progressing while the zoo waits for the main building permit to be reviewed and approved. Mr. Mitchell agreed to send the Committee a link to the next version of the project design.

Lease Crutcher Lewis as the construction management by general contractor is required to submit a plan for reaching its COBID goal. The zoo will include the Metro procurement director in finalizing that plan. The Committee will hear more on that in the winter when the plan is finalized.

- 3. Interpretive Experience** – The zoo front entrance wayfinding kiosk is complete, and the interpretives project has no other updates.

4. Percent-for-Art – On November 16 the Metro Council will be asked to approve the artwork concept and locations as recommended by the Oregon Zoo Public Art Advisory Committee and the commissioned artists Edwin and Veronica Dam de Nogales. (Metro Resolution 17-4833 and accompanying staff report were distributed at the meeting as part of the meeting packet.) The proposed artwork bookends the habitat with a “melting ice bear” sculpture and two playful polar bear benches. Oversight vice chair Hartnett represented the Oversight Committee on OZPAAC and met the artists. In order to share the artists’ passion directly with the Metro Council, the artists created a video explaining the process and meaning of the artwork. The video was shown to the Committee, and a copy will be included with the record.

The bear benches provide a tactile experience with the bears, and an invitation to touch and become a part of them. The melting ice bear on the northern gateway of the project will be in quieter area where the viewer can reflect with the bear. The artists are excited about the material – aluminum – not just because of the silvery-white color, but rather because it reflects that human response of the polar bear as ambassador of conservation. Ninety percent of the aluminum in the world is recycled and reused, and is reminiscent of being globally responsive and responsible. The artists feel it is rare to have a material that is so appropriate for the artwork and message. The melting ice bear sculpture helps indicate that the ice and bear are one: if there is no ice, then there is no habitat for the bear. The sculpture explores the feeling of the presence and absence of the bear and ice, as the bear is disappearing with the iceberg, and as his habitat is floating and melting away. OZPAAC considered local artists, but chose these artists who are from Spain and Montreal, Canada. OZPAAC discussed extensively how to accommodate safety and climbing of the sculpture, and the artists worked hard to discourage climbing and make it safe. The artists will fabricate and ship the artwork prior to the Polar Passage project being complete. The zoo will store the art until near the end of the project when it will be installed.

5. Electrical Infrastructure – Zoo Facilities continues to manage the Electrical Infrastructure project. The contract with Portland General Electric for the Dispatchable Service Generation partnership has been signed. PGE will contribute \$576,600 to fund upgrades for the DSG participation, and that amount was added to the project budget. The generator replacement design and engineering are 100 percent complete, and the project will be advertised for bid in November. The electrical feeders for the lower portion of the zoo were replaced, and the electrical panels in AfriCafé and the Animal Nutrition Center were replaced.

6. Elephant Lands – The meeting packet includes the final report of Elephant Lands, which is the 62nd monthly report and represents more than five years of work. The \$57 million project is \$157,000 under budget, and that money will go back into the bond program’s unallocated contingency. On October 26, 2017, staff submitted a state-required report to the Metro Council, acting as the Metro Contract Review Board, on the outcomes of using construction management by general contractor (CM/GC) for the project. The report (included in the Oversight meeting packet) was well-received by the Council. Using CM/GC helped address the various project challenges, including phasing of construction, and testing and correcting equipment and designs in early phases. Ms. Rahn thanked Mr. Mitchell for bringing the project in under budget. Vice chair Hartnett led a round of applause for Elephant Lands’ success. The lessons learned from that project are helpful for implementing the Polar Passage project.

E. Program Status and Financial Information at a Glance

The updated financial report shows the increased contribution from OZF for the Primate Forest/Rhino project. The program is currently showing more than \$2 million in unallocated contingency, mostly because Metro deputy finance director Caleb Ford updated the interest earnings forecasts. At the beginning of the program the interest forecast was for \$2 million, but then in the middle of the program it was decreased to \$1.5 million based on the rates at that time. Lately rates have been stronger, so he raised the forecast back to the original \$2 million. Metro has \$10 million more zoo bonds to sell, and will combine them with Metro Natural Area bonds in a sale in spring 2018. Strategically it is cheaper to combine the two sales, and since Natural Areas needs to sell in the spring, and the zoo bonds don't need to be sold then but can, Metro will put them up for a public sale. If the zoo bonds were sold separately, it would not be a public sale. Staff are not expecting a premium from the sale, but would not be surprised if Metro receives one.

F. Program and Projects Schedule

The Polar Passage/Primate Forest/Rhino project construction start date is now mid-May. The end date could change later, which may alter staffing and budgets.

G. Subcommittee selection for Committee annual report

Vice chair Hartnett discussed the Committee's annual process for preparing its annual report to the Metro Council, covering activities for the calendar year 2017. This report is the single largest, tangible product of the Committee. It is a collaborative process with staff helping with formatting and editing. Each year two subcommittees are formed to report on the requirements as noted in Committee charter, a copy of which is in meeting packet. The subcommittees usually start meeting in December, and prepare a report draft for the Committee in February to review and revise. Chair Shelly presents the completed report to the Metro Council in March or April, and it is published on the zoo website. Vice chair Hartnett said she will do one of the committees, but was not yet sure which one. The following members volunteered:

Project progress subcommittee: Mickey Lee and Kevin Spellman.

Finances subcommittee: Heidi Goertzen and Katherine Porras.

Noah Bishop volunteered for either. If anyone else is interested, they can join later.

H. Preliminary results of elephant welfare study, before, during and after construction of Elephant Lands

Nadja Wielebnowski, Oregon Zoo conservation research manager, and Sharon Glaeser, PSU graduate student reported on the preliminary results of the elephant welfare study before, during and after the construction of Elephant Lands. They gave a presentation, a copy of which is included with the record. The study period and collection of data are complete, and the study is in the analysis phase now. The researchers have a huge set of data to process and it takes much time. They provided a brief recap of the study.

The study is an animal-based welfare assessment looking at the individual animals. Since the study accounts for each animal's history and experiences, the information is relative, and not absolute. The study used three types of welfare indicators and collected data in three major areas: behavior, physiology, and physical appearance and health. The study was conducted over four years, including one year before and one year after construction. In addition to the samples collected during this period, the zoo also has 20 years of elephant blood data sampling to reference.

She summarized the study's preliminary findings:

- Increase in exploratory behaviors
- Increase in behavioral diversity
- Increase in resource use and choices
- Improved foot health
- Elephants adapted well to new habitat.

Researchers are confident in what the data is showing. The elephants have more choices in how to use their resources, and how food is delivered. They were observed using almost all the resources offered, and with their food delivery location and timing being unpredictable, they walk more to check for food.

The study included adrenal hormone monitoring, which measures stress. Some stress is normal, such as part of the reproductive cycle, or an important response for flight and protection. Stress would be expected when the animals have changes, such as when a calf is born. The elephants should be able to respond to events and not have chronic high or low stress levels. During construction, the elephant Shine had to learn from the elephant Chendra how to get food, since she went from being fed to having to find food. The final study analysis will present a picture on each animal. The adrenal hormone data shows an amazing resilience of all of the zoo's elephants in adapting to the new habitat. The reproductive data for males and females also shows normal cycling, which is another good indicator that they are doing well. The zoo's long-term studies help with being able to know what to expect as a baseline.

Researchers are planning to have even more extensive monitoring of all species that will be affected by the upcoming Polar Passage/Primate Forest/Rhino project construction. Scheduled to start in early 2018, they will include the same system to collect hormone data, and plan to add an element to look at noises and soundscapes in the habitats. A new graduate student will start in February to assist with the study.

Ms. Glaeser responded to members questions. With more analysis, researchers will probably be able to tell where animals like to spend most of their time. Ms. Glaeser was not sure if elephants are slimmer now with more exercise, but she did say that they have different muscle tone from climbing more, and appear to be in better shape than before. The elephants that were isolated due to tuberculosis had two people with them all day long, and the animals enjoyed the extra keeper attention. Although those elephants were not together with the herd, they still knew where each other were and were in communication. In the new habitat, the young elephant Lily wanted to explore, so she showed the others what could be done. She helped them go through the change of not wanting to make their own choices to seeking their food in the new automatic feeders.

Mr. Mitchell indicated that automatic feeders have not been requested for Polar Passage, but Primate Forest will have them.

Dr. Wielebnowski said it is not the end of the study, and they will continue to monitor for animal management and improvement. The findings will be published through a variety of forums for other zoo professionals and the public. One report was published in 2012, and two more will be forthcoming. They will also be presented at Association of Zoos and Aquariums annual conferences and elephant management conferences, and shared with other partner institutions. Zoo marketing

also publishes press releases and finds other opportunities to share with the community, including online.

I. Preliminary report on Education Center operating program outcomes

Zoo education curator Grant Spickelmier reviewed a memo with a preliminary report on the zoo Education Center program outcomes. (A copy of the memo is included with the record.) He reviewed the six goals for the Education Center, and reported on the operating impacts of goals #3 through #6. He did not report on the interpretive goals #1 and #2 at this time, but will conduct focus groups and report on them in 2018.

Goals:

3. Increase capacity to engage diverse audiences in conservation education.
4. Raise the visibility and support the work of nature, conservation and sustainability organizations by connecting them with zoo audiences.
5. Generate revenue to offset operation costs.
6. Showcase green living and sustainable practices (achieve LEED gold or higher).

Mr. Spickelmier reported strong positive results in achieving these goals. The Education Center has quickly become a local pillar of conservation education, with an impact that will continue to deepen each year. The center would not be the vital community resource that it is today without the tremendous support of the partners, donors and voters. He thanked the Oregon Zoo Foundation for its support of Title 1 schools in supporting goal 3. In support of goal 4, many conservation organizations wanted to engage with zoo visitors and feel the zoo is a great place to connect with diverse audiences. The partner work will continue, and Metro is including in its proposed budget for next fiscal year a half-time person to work in the Education Center's Wildlife Garden. Mr. Spickelmier gave kudos to zoo catering staff for their role in generating revenue and achieving success with goal 5. The Nature Exploration Station (NESt) has been a popular rental venue.

He reviewed four actions the zoo will take over the coming year to make adjustments to the Education Center operations and capitalize on its successes. He is excited about its trajectory.

Members asked several questions. All Title 1 schools in the Metro boundary – approximately 120 schools and 11,000 third graders – were invited to attend the zoo and ZooSchool compliments of OZF. Some schools were not able to make the trip due to the travel distance, so the zoo is looking at outreach options to send the ZooSchool out to them.

Mr. Spickelmier did not know yet what percent of visitors coming through the zoo gate are visiting the Education Center, but will be monitoring it to find out. Anecdotally, it seems like approximately 20 percent, but that is not verified.

ZooCamp prices did increase this past year, and were at 87 percent fill rate. Members expressed concern that the cost of participation at the new facilities may exclude people. The zoo does have scholarship support for some low income families, is being conscious of costs, and does not want to outprice middle income people. Ms. Fitzgerald has spoken with people who are thrilled to contribute to educational opportunities for children, and OZF will be working to find such people.

The zoo provides many reduced-rate options to make the zoo more affordable to all. The Discount Tuesdays will be discontinued during the summer months due to unsafe traffic back-ups on Hwy. 26, but will continue for now during the other months. In September 2017, the zoo began the *Zoo For All* program that provides \$5 admission any day to Oregon and Washington individuals and families who qualify for a variety of income assistance programs. In addition, military veterans and seniors have free days, school groups enjoy discounts, TriMet riders receive a discount, and summer Twilight Tuesdays offer discounted admission. Oregon Zoo admission is underpriced by \$5 compared to all other west coast zoos and aquariums.

Dr. Moore noted that OZF staff are working as hard as he has ever seen a support group work. They have ramped up their efforts and are getting zoo staff and leadership out talking with groups and potential donors. Ms. Fitzgerald appreciated the acknowledgement, but noted that her group has a long way to go to communicate that there is a need for private support for a public zoo. She encouraged people to let her know of any potential contributors.

J. Open Discussion/Questions

The quarterly zoo bond *Equity in Contracting* report for October is still waiting on data from one of the architects, and will be sent to the Committee later.

Staff is preparing a memo on the costs of operating Elephant Lands after one full fiscal year, and will send that to the Committee later as well.

Robyn Pierce attended an equity workshop sponsored by Metro on Nov. 1, 2017, and shared some of her impressions. Scott Winn led the workshop on a strategy for structural transformation. Participants looked at oppression, oppressed groups, targets, and bringing more equity into their daily lives. Vice chair Hartnett recommended individuals take the implicit bias surveys offered online through Harvard University, which she found to be beneficial and revealing.

K. Adjournment

Vice chair Hartnett adjourned the meeting at 5:05 p.m.

Upcoming 2018 meeting dates –Wednesdays, 3 to 5 p.m.:

Feb. 14, 2018 Conservation Hall, Oregon Zoo
May 9, 2018 Skyline Room, Oregon Zoo
Sept. 12, 2018 Conservation Hall, Oregon Zoo
Nov. 14, 2018 Skyline Room, Oregon Zoo