



Oregon Zoo Bond Citizens' Oversight Committee

Oregon Zoo – Kalahari Room
Wednesday, Feb. 16, 2011
3 to 5 p.m.

Oregon Zoo Bond
Citizens' Oversight
Committee Meeting
February 16, 2011
Minutes

MINUTES

MEMBERS PRESENT

Sheryl Manning
Marcela Alcantar
David Evans
Ann Gravatt
Jim Irvine
Benjamin Jackson
Tony Jones
Carter MacNichol
Kelly Peterson
Bob Tackett

MEMBERS ABSENT

Jacqueline Bishop
Steve Bloom
Greg Gahan
Deidra Kryss-Rusoff
Ray Phelps
Penny Serrurier
Michael Sestric
Carol Welch

GUESTS

Shirley Craddick
Eric Bode
Greg Dykstra
Jon Schleuning

STAFF

Jim Mitchell
Linnea Nelson
Scott Robinson
Marcia Sinclair
Kim Smith
Craig Stroud
Cheryl Twete

AFFILIATION

Chair, Oregon Zoo Bond Citizens' Oversight Committee
Alcantar & Associates
The ODS Companies
Renewable Northwest Project
The Conifer Group, Inc.
REAP, Inc.; Clackamas High School
Metropolitan Contractor Improvement Partnership
Shiels Oblatz Johnsen, Inc.
Humane Society of the United States
NW Oregon Labor Council

AFFILIATION

Roberts Kaplan LLP
Portland Japanese Garden
NW Construction Management, Inc.
Ferguson Wellman Capital Management
Allied Waste Services
Stoel Rives LLP
Smith Group, Inc.
Nike, Inc.

Metro Councilor
Atelier Dreiseitl
CLR Design
SRG Partnership, Inc.

Oregon Zoo Bond Construction Manager
Oregon Zoo Bond Program Coordinator
Metro Deputy Chief Operating Officer
Oregon Zoo Public Involvement
Oregon Zoo Director
Oregon Zoo Bond Program Director
Metro Senior Development Advisor

A. Welcome / Introduction

Sheryl Manning, Oregon Zoo Bond Citizens' Oversight Committee Chair, opened the meeting at 3:04 p.m. and welcomed members. Members introduced themselves.

B. Approval of Nov. 10, 2010, Oversight Committee meeting minutes

Members approved the minutes of the Nov. 10, 2010, Oregon Zoo Bond Citizens' Oversight Committee ("Oversight Committee" or "the Committee") meeting.

C. Comprehensive Capital Master Plan Update, Interim Status Report #2

Kim Smith, zoo director, introduced the Master Planning consultants. She reviewed the Master Plan schedule, which is on track to be completed in August and submitted to Metro in September for approval. As Master Plan work has progressed, some milestones for specific activities have been moved within the overall timeline, such as extending the on-site elephant schematic design due date to May 2. The overall project completion date remains the same.

Jon Schleuning with SRG Partnership, Greg Dykstra with CLR Design and Eric Bode of Atelier Dreiseitl presented the concepts covered in interim report #2. Mr. Dykstra reviewed the proposed locations for each of the major bond projects and exhibits. The consultant team is reviewing and advancing the siting and concepts with the review and input of zoo staff.

One impact of expanding the elephant exhibit is the need to reroute the zoo train internal zoo loop. The train currently runs on an internal zoo loop, as well as a loop that goes to lower Washington Park. The Master Plan consultant team tested various new zoo loop routes and is finalizing concepts for a route that is shorter than the existing route, but preserves the route into Washington Park.

Marcela Alcantar asked about the stormwater study that was completed and whether it was useful and beneficial information for the current Master Planning project. Mr. Bode informed her that the study was beneficial and that the team's work is able to advance much faster because the underlying analysis has been completed.

Tony Jones asked what the consultant team had found to be of most concern. Mr. Schleuning said it is the site itself, which is challenging. The campus grade changes and unstable soils are important considerations. The team is mitigating the soil concern by working with geotechnical engineers with a 20-year history of work on the zoo campus.

Mr. Schleuning and Ms. Smith explained that the Master Plan is a 20-year campus plan, with the bond funded projects being the first major activity phase. Mr. Jones also asked about the Master Plan phases not included in the zoo bond measure. Mr. Schleuning said the team is working with finite land and funds, and accordingly, future phases beyond the bond-funded projects do not have an identified funding source.

Jim Irvine asked about public outreach. Craig Stroud explained that the program is just beginning its public involvement, with three initial workshops planned for March and early April.

D. Land Use Project Status

Cheryl Twete discussed the land use approval efforts underway using the worksheet included in the meeting packet.

The bond program's land use work has three components:

- 1) Amendment to the current conditional use master plan for the onsite elephant exhibit project and related improvements;
- 2) Nonconforming conditions development plan as a separate agreement with the city; and
- 3) New conditional use master plan application.

Metro has hired three consultants – Rick Williams, Kittleson & Associates, and Bev Bookin – to provide primary support for the land use work, which is also supported by consultants on the Comprehensive Capital Master Plan team. Additional expertise may be necessary to support required work to achieve the three components, and is to be determined as discussions with the city progress.

Mr. Jones asked if the bond would fund parking lot improvement costs. Mr. Stroud said it is unknown and depends on the financial order of magnitude and whether the parking improvements are required for the bond projects to proceed.

E. Required Oversight Committee Report to the Metro Council (from Ordinance 10-1232)

Committee members presented the written summaries of their subcommittee's work on suggesting items for portions of the report to the Metro Council, as outlined in the meeting packet.

Subcommittee #1 - Ann Gravatt summarized that her subcommittee looked at people, process and reporting. As part of its assessment, the subcommittee reviewed and discussed information presented to the Oversight Committee, and discussed additional reporting used to support the program. The subcommittee believes that it appears the right people, processes and reporting are supporting the program, but suggested that additional support might be necessary for public outreach. Mr. Stroud stated that assessment of public outreach program needs is underway.

Subcommittee #2 - David Evans summarized that his subcommittee looked at spending trends, current costs, financing costs and the independent auditor's report. No issues of immediate concern were noted, but some suggestions were made for the future. Additionally, Moss Adams issued their annual audit report on Dec. 2, 2010, that raised no issues with bond proceeds spending or activities.

Carter MacNichol asked about cash flow and making sure the program hasn't spent too much money on the first three projects that would prevent later projects from being built. Mr. Stroud explained that the Master Plan will identify a plan for spending such that all bond projects can be built within the bond funds available. The bond program is also hiring its own independent cost estimator with experience in zoo and aquarium projects to review the Master Plan bond project scopes, budgets and schedules. The bond program team will return to the Committee with the Master Plan cost allocations across projects for review and comment.

Mr. Stroud also discussed the fact that the program is looking at alternative contracting processes that may be used in lieu of the standard design-bid-build public works process. Complex projects may warrant alternative contracting approaches to mitigate specialized construction risks. The bond program presented to the Oregon Zoo Bond Advisory Group for initial direction a proposal to explore alternative processes. Staff is now completing an

assessment of the alternative methods and will take that assessment back to the Advisory Group. If the bond program decides to pursue alternative processes, the Metro Council must approve this prior to use.

Subcommittee #3 looked at the management's response to the Metro Auditor's November 2009 report. Carol Welch and Chair Manning reviewed the Metro Auditor's report and management's response and, based on the representation of bond program management, believe the auditor's concerns have been addressed. The Metro Auditor will be performing a follow-up review this spring to the audit, and final conclusions as to the response to the report will be made by the Metro Auditor at that time.

Chair Manning proposed a structure and process for completing the Metro Council report. Committee members supported her proposal. She will incorporate the subcommittee summaries into a draft and distribute electronically to the Committee for review. The report will be prepared and delivered to the Metro Council and Committee members are invited to attend the Council meeting when the report is delivered.

Mr. Irvine asked about whether the Committee needs to report on where they think the program will be 12 months from now. Members agreed that it would be difficult for the Committee to predict this, and this is not a required reporting item.

F. Remote Elephant Center – Information Update

Kim Smith discussed the remote elephant center (REC) project and the elephant vision. She and Mike Keele recently presented to the Metro Council a draft business plan for an REC, seeking Council direction. The Council conducted a work session regarding the REC and later passed a resolution to continue developing the plan for a remote elephant center and to authorize execution of one or more options to purchase property, if the program identifies a desirable property. Scott Robinson stated that the Metro Council resolution for the bond measure indicates that funds are set aside for capital improvements for an offsite elephant facility, but was silent as to how the funds would be provided. Information presented by Metro Councilors and the prior zoo director in the period running up to the 2008 bond election may have included more substantive oral commitments to the concept of a remote facility than were in the wording of the bond measure. Metro staff is attempting to gather and distill information to inform future discussions. At some point in the future, this Committee will likely be asked for feedback on this issue. Chair Manning indicated that it is important for the Committee to be kept informed on this project.

G. Bond Measure Program Progress: 1. Bond Program Management Quarterly Report (FY 11, Q1)

Mr. Stroud introduced the Bond Program Management Quarterly Report (FY10 Q3), which is also presented to the Metro Council on a quarterly basis. Mr. Stroud informed the Committee that Jim Mitchell had been promoted to the program's construction manager, with the two construction project managers reporting to him.

Jim Mitchell explained the status of the Veterinary Medical Center project. Skanska, the general contractor, is doing a good job, and the project budget is on track. Due to a delay related to an ancient landslide discovered during the soil nail wall work, construction completion is now planned for November 2011. The project has had four change orders to date. The excavation

work was identified as the biggest cost overrun risk for the project, and that phase is now complete.

The Penguin Filtration project is installing modern pumps and filters for the penguin exhibit. The birds are scheduled to be moved back into the exhibit in early May, with an opening to guests in early summer. The project budget and schedule are on track.

The Water Main Building project in the upper parking lot will house a pressure reducing unit required by the state. It will serve the whole zoo and is required to prevent harvested rainwater from contaminating the city's fresh water system. The project budget and schedule are on track.

Ms. Alcantar asked about the stormwater analysis and campus survey. She is concerned about money already spent on stormwater planning and needing to spend more money on new stormwater planning. She asked the program to consider differentiating the spending between the two phases.

H. Adjournment

Chair Manning adjourned the meeting at 4:56 p.m.

Next Meeting Dates for 2011–Wednesdays, from 3 to 5 p.m., in the Skyline Room:

June 8 (rescheduled from May 11)

Aug. 10

Nov. 9