



Oregon Zoo Bond Citizens' Oversight Committee

Oregon Zoo – Skyline Room
Wednesday, May 12, 2010
3 to 5 p.m.

Oregon Zoo Bond
Citizens' Oversight
Committee Meeting

May 12, 2010

Agenda

AGENDA

- | | |
|--|------------------------|
| A. Welcome / Introductions | Sheryl Manning |
| B. Approval of Feb. 10, 2010 Oversight Committee meeting minutes | Sheryl Manning |
| C. Oversight Committee Charter | Sheryl Manning |
| D. Bond Program Organization Structure – Oversight Committee Role | Scott Robinson |
| E. Metro/Zoo Financial Background Information | Joanne Ossanna |
| F. Status of Zoo Internal Audit Recommendations – Management Response | Craig Stroud |
| G. Update on Program Activities | |
| 1. Bond Program Mgmt Quarterly Report (FY10 Q3) | Craig Stroud |
| a. Master Plan RFP Update | |
| b. Land Use (Plan District) Update | |
| c. Updates for Projects Underway (VMC, Penguin, Water Main) | |
| d. Best Practices Research and Adoption | |
| e. Project Status and Financial Info at a Glance | |
| f. Program Schedule | |
| 2. Oregon Zoo Bond Advisory Group Update | Andrew Ferguson |
| H. New Zoo Director Introduction | Craig Stroud/Kim Smith |
| I. Metro Procurement policies and practices, including Minority, Women and Emerging Small Business (MWESB) program | Darin Matthews |
| J. Open Discussion | Sheryl Manning |
| K. Other
Communication Protocol | Sheryl Manning |
| L. Adjournment | Sheryl Manning |

Next Meeting Dates – 2nd Wednesday of the month in Aug., Nov., Feb. and May (3-5 p.m.)
 August 11
 November 10
 February 9, 2011
 May 11, 2011

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Oregon Zoo Bond
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Agenda item B

Oregon Zoo Bond Citizens' Oversight Committee meeting

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Agenda Item B.

Approval of Feb. 10, 2010, Oversight Committee meeting minutes



Oregon Zoo Bond Citizens' Oversight Committee

MINUTES

February 10, 2010

2:00 – 4:30 p.m.

Oregon Zoo, Skyline Room

MEMBERS PRESENT

Sheryl Manning
Jacqueline Bishop
Steve Bloom
David Evans
Greg Gahan
Gary Gamer
Ann Gravatt
Jim Irvine
Benjamin Jackson
Tony Jones
Deidra Krys-Rusoff
Carter MacNichol
Kelly Peterson
Penny Serrurier
Michael Sestric
Bob Tackett

AFFILIATION

Oregon Zoo Bond Citizens' Oversight Committee
Roberts Kaplan LLP
Portland Japanese Gardens
The ODS Companies
NW Construction Management, Inc.
Oregon Coast Aquarium
Renewable Northwest Project
The Conifer Group, Inc.
Clackamas High School
Metropolitan Contractor Improvement Partnership
Ferguson Wellman Capital Management
Shiels Oblatz Johnsen, Inc.
Humane Society of the United States
Stoel Rives LLP
Private Practice Architect
Northwest Oregon Labor Council

MEMBERS ABSENT

Marcela Alcantar
John Mohlis
Carol Welch
Ray Phelps

AFFILIATION

Alcantar & Associates
Portland Development Commission
Nike, Inc.
Allied Waste Services

GUESTS

David Bragdon
Suzanne Flynn
Andrew Ferguson

Metro Council President
Metro Auditor
Oregon Zoo Foundation, OR Zoo Bond Advisory Group

STAFF

Scott Robinson, Craig Stroud, Lee Campbell, Doug Strickler, Jim Mitchell, Linnea Nelson,
Annie Von Burg

OPENING

Metro Council President David Bragdon welcomed the committee members to the first Oregon Zoo Bond Citizens' Oversight Committee meeting. President Bragdon briefly outlined the committee's purpose and thanked members for their attendance and future contributions. He stated that the committee does not work for the Council, but rather represents the public.

Chair Sheryl Manning welcomed the group and expressed her gratitude for committee member participation and service. Chair Manning informed the committee that future meetings will be discussion-based, but to educate committee members about the bond program, the first meeting was structured to convey background information to the members.

1. INTRODUCTIONS

Chair Manning led introductions by sharing her background. Committee members, guests and staff introduced themselves.

2. DESCRIPTION OF OREGON ZOO BOND GOVERNANCE

Metro Deputy Chief Operating Officer Scott Robinson reviewed the *Oregon Zoo Bond Governance* handout. Mr. Robinson described the relationships between the various groups within the bond governance structure and explained each group's focus, scope, reporting relationship, deliverables and duration.

The three points of focus for the Oversight Committee are to:

- 1) Assess bond program progress
- 2) Annually report on program governance and external audit results
- 3) Recommend project modifications, if needed, due to inflationary cost increases in excess of original project target cost estimates

In addition to this committee's oversight of the bond program, the program reports quarterly via program and financial reports to the Metro Council. The annual external audit of Metro's Comprehensive Annual Financial Report includes a specific scope of work for the external auditor to sample and review bond program expenditures. The external audit contract is managed by the Metro Auditor.

Metro will provide funds for the Oversight Committee to hire an independent writer to draft an annual Oversight Committee report that will be delivered to the Metro Council and local newspapers for publication.

3. REVIEW OF ZOO CONSTRUCTION AUDIT

Metro Auditor Suzanne Flynn provided a summary of the Zoo Capital Construction audit released in November 2009. Ms. Flynn described the three construction projects evaluated during the audit and explained the reasoning behind choosing those specific projects. Ms. Flynn discussed the audit's conclusion that at the time of the audit, the Zoo was not prepared to manage the bond program due to lack of institutionalized practices, a history of unrealistic project budgeting, and the uncertainty of roles and responsibilities. She noted there was poor tracking of schedules and expenditures resulting in significant cost overruns along with inaccurate reporting. Ms. Flynn closed by stating the audit was timely in identifying issues for correction early in the bond program. She added that management has been extremely responsive to addressing the audit's recommendations.

Chair Manning asked committee members to read the audit report and management's response and consider watching the audit report delivery to the Metro Council on the Metro website.

President David Bragdon shared his gratitude to Ms. Flynn for the audit and encouraged the committee to exercise its oversight role to ensure the bond program is successful.

4. OVERVIEW OF BOND PROJECTS

Interim Zoo Director Mike Keele briefly described the approaches that zoos have taken in the past in regards to exhibits and animal welfare. He explained animal management theory improvements due to advancements of science and knowledge. Between now and completion of the individual bond projects, zoo animal management staff will continue to actively manage animal welfare. Mr. Keele explained the Association of Zoos and Aquariums (AZA) accreditation process and that the Oregon Zoo is currently under accreditation review.

Mr. Keele continued with a presentation of the bond projects and the need for the improvements. The projects that were presented were:

- The on-site elephant exhibit
- The veterinary medical center and quarantine facility
- The polar bear exhibit
- The primate exhibit
- The conservation campus
- The condor exhibit
- The hippo exhibit
- The penguin water filtration upgrade
- Water and energy saving improvements

5. OVERVIEW OF LAND USE PLANNING

Bond Program Manager Craig Stroud outlined a plan district zoning designation that the zoo is currently discussing with stakeholders and the city of Portland for zoo campus land use.

Mr. Stroud presented the complexities to achieve the plan district designation. An aggressive timeline estimate of two years is expected to complete the process. Concurrently with the plan district designation process, there are several bond projects underway, such as the veterinary medical center and the penguin water filtration upgrade. While these projects move forward, there are many considerations to balance for animal welfare, construction efficiency and visitor experience.

Mr. Stroud discussed the need for development of a capital improvement master plan. This plan will provide increased detail around project scope, sequencing, sustainability initiatives, and general campus infrastructure improvements. To create the plan, the bond program team is developing a request for proposals targeted for release at the end of March 2010.

Mr. Stroud distributed an example financial and project information report using the handouts *Project Status and Financial Information at a Glance* and the *Zoo Bond Program Capital Construction Project Phase Descriptions*. He asked the committee to review the example and identify changes or different presentations that would meet their program oversight needs.

6. STATUS OF VETERINARY MEDICAL CENTER

Bond Project Manager Jim Mitchell gave an update on the status of the veterinary medical center project. Mr. Mitchell described how the project planning had unfolded and required value engineering due to estimates that exceeded the target budget. The Oregon Zoo Bond Advisory Group provided assistance on value engineering and resiting considerations during November and December 2009. On January 5, 2010, the zoo bond team presented the Veterinary Medical Center project status and posed a set of project options to the Metro Council at a work session. The Council concurred with the team's first recommendation to move the project forward (see agenda packet item H for complete background and options presented). The construction plans are nearly complete with the value engineering changes incorporated and will be delivered to the city of Portland for construction permit review within two weeks. Groundbreaking is expected in early summer.

Chair Manning asked the bond team if there were specific lessons learned through the veterinary medical center project planning. Mr. Stroud responded that the program team had learned to better control scope creep, avoid changing a project's manager during a project, and to proactively involve project stakeholders in the design processes early and often. Design considerations become more expensive when executed as change orders or punch list corrections. Making frequent communications to stakeholders to explain scope and design during schematic design and design development will help minimize expensive changes.

It was asked by a committee member that if overall detail master planning for all projects had not been completed prior to the bond measure passage, how was the amount of \$125 million determined? President Bragdon said the zoo management and Council first developed a long list

of priorities based upon the inventory of deferred maintenance and staff knowledge of structures and other facilities which were deficient. This list of potential projects was weighed on the basis of priorities of animal welfare, infrastructure improvements and energy efficiency. Ultimately, this longer list was trimmed to include only the top priorities which could be covered by a \$125 million bond measure, which was the total amount the Council in its political judgment estimated the voters could most reasonably be expected to approve.

Chair Manning suggested that a member of the Zoo Bond Advisory Group attend the next committee meeting and describe how that group had supported the bond program and veterinary medical center project since formation.

7. CLOSING

Chair Manning thanked members for attending and identified items to be addressed at the next meeting, including:

- Bond management to update the committee on steps to address the Zoo Capital Construction internal audit recommendations.
- Request an Advisory Group member to discuss the group's involvement in the bond program.
- Create a communications protocol so committee members know how to respond to contacts from media about committee and program activities.
- Finalize the committee charter.
- Distribute committee member contact information among committee members.
- Request the Metro Procurement Officer provide the committee background about Metro's procurement processes and MWESB programs.
- Discuss the proposed "Project Status and Financial Information" Report.
- Update on status of the Master Planning process/RFP.

General announcements:

- The next meeting agenda and supporting materials will be distributed prior to the next committee meeting.
- The next zoo campus tour with Bond Program Manager Craig Stroud and Interim Zoo Director Mike Keele is scheduled for Feb. 16 from 1 to 3 p.m. Meet outside at the zoo main gate.
- Zoo Bond Program Manager Craig Stroud issued a standing invitation for committee members to request a personal tour of the zoo campus and bond projects if unable to attend the group tour.
- There was general discussion about the committee meeting more frequently than quarterly in the next several months. It was decided to keep the quarterly meeting schedule.
- Committee members are invited to attend a bond program status presentation to the Metro Council scheduled for Feb. 23 from 2 to 4 p.m. in the Zoo Sunset room.
- Future committee meeting dates were announced as:

- May 12, 2010, Zoo Cascade Crest Building, Skyline Room
 - Aug. 11, 2010, Zoo Cascade Crest Building, Sunset Room
 - Nov. 10, 2010, Zoo Cascade Crest Building, Sunset Room
 - Feb. 9, 2011, Zoo Cascade Crest Building, Sunset Room
- The start time has changed to 3 p.m. for all meetings.



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Agenda Item C.

Oversight Committee Charter



Oregon Zoo Bond Citizens' Oversight Committee Charter

A. Zoo Bond Citizens' Oversight Committee Authorizing Ordinance in Metro Code

The Metro Council established the Oregon Zoo Bond Citizens' Oversight Committee (Oversight Committee) on January 21, 2010, by amending Metro Code Chapter 2.19 via Ordinance No. 10-1232.

B. Oversight Committee's Purpose and Authority

The purpose and authority of the Oversight Committee is to convene periodically to review progress on the Oregon Zoo Bond Measure 26-96 project improvements, monitor spending ("Program Progress"), and consider and recommend project modifications if inflationary increases in construction costs exceed current budget estimates. The Oversight Committee shall report annually to the Metro Council regarding such Program Progress, which report shall set forth the Oversight Committee's recommendations for project modifications, if any.

C. Period of Time Necessary for the Oversight Committee to Carry Out its Purpose

The Oversight Committee shall be dissolved on July 1, 2025, or upon the issuance of a final report by the Committee after all funds authorized by the Oregon Zoo Bond Measure 26-96 have been spent, whichever is earlier.

D. Frequency of Meetings

The Oversight Committee shall meet no fewer than two times per year. Meetings shall be held at a time and location to be determined by the Chair.

E. Membership

The Oversight Committee shall be composed of no fewer than 13 and no more than 19 members, to be appointed by the Metro Council President subject to Metro Council confirmation. The Oversight Committee's members shall primarily be professionals with experience in construction, sustainability, finance, auditing, public budgeting, banking and general business.

A portion of initial Oversight Committee members shall be appointed to serve a one-year term, and may be reappointed to serve up to two additional two-year terms, and the other portion of the initial Oversight Committee members shall be appointed to serve a two-year term, and may be reappointed to serve up to one additional two-year term.

F. Chair and Vice Chair

The Metro Council President shall designate one member to serve as Chair of the Oversight Committee. The Chair shall preside over meetings of the Oversight Committee. When the Oversight Committee is not in session, the Chair's duties include acting as its representative and spokesperson.

The Chair shall appoint a member of the Oversight Committee to serve as Vice Chair. The Vice Chair shall assist the Chair and support the Chair's responsibilities in the absence of the Chair.

G. Oversight Committee Annual Report

The Oversight Committee shall prepare and deliver an annual report to the Metro Council regarding Program Progress, which:

- (1) Shall assess Oregon Zoo's Program Progress in implementing the Oregon Zoo Bond Measure 26-96 project improvements.
- (2) Shall report on project spending trends and current cost projections, and review and report upon the annual independent financial audit of spending.
- (3) May recommend project modifications intended to account for increases in construction costs in excess of budget estimates, to ensure that the purpose and promise of the Oregon Zoo Bond Measure 26-96 is fully realized.

H. Metro Responsible for Providing the Necessary Support

Metro will provide the facilities and support staff necessary to conduct meetings and support the activities of the Oversight Committee. Oversight Committee members will not be compensated for their services. Metro will pay costs associated with the provision of reasonable accommodations for people when such costs are directly associated with the conduct of the Oversight Committee meetings and reporting activities. In addition, Metro will provide funds annually to support the development and publishing of the Oversight Committee's annual report.

I. Date of Charter

Original: May 12, 2010



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Bond Program Organization Structure – Oversight Committee Role



Oregon Zoo Bond Governance

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Governance Group	Membership	Purpose	Focus	Scope	Reports to	Deliverable	Duration
Oregon Zoo Bond Advisory Group	Internal /external 14 members 5 external Internal chair	Advise on development of the master plan and overall bond plan	Internal advisory	Advisory	Metro Deputy COO	On-going recommendations	3 years (can be renewed if necessary)
Oregon Zoo Bond Citizens' Oversight Committee	External 20 members External chair	Review progress and process 1) Assess progress 2) Report on project spending trends and external audit results 3) Recommend project modifications to account for increases in construction costs in excess of estimates, to ensure the purpose and promise of the bond are realized	Metro Council /External Voting public	Oversight	Metro Council	Annual report to Metro Council	Throughout bond (July 2025 or final spend down, whichever comes first)
Bond Team	Internal	*Note 1 Execution of the bond projects	Delivering the bond projects	Planning and construction management	Metro Deputy COO	Master plan and individual projects	Through bond and close-out

*Note 1: The Oversight Committee's charge is to determine if the program is on the right path in terms of structure, management, expenditures, personnel and achievement of defined goals. The Oversight Committee will not make specific project decisions, but rather look at how decision-making occurs and how business is conducted. Are the right processes and tools in place? Are the right people working on the program? Is quality control adequate? Are the program results on track and on schedule? What, if any, improvements are needed to ensure that Metro is maintaining the public's trust and realizing the best possible value for the money?

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Metro/Zoo Financial Background Information



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To Oregon Zoo Bond Citizens' Oversight Committee

From Joanne E. Ossanna, CPA
Oregon Zoo Finance Manager

Date April 30, 2010

Subject Perspective on how the current Oregon Zoo Bond measure compares to the magnitude of Metro's annual financial budget

The following information is intended to provide the Oregon Zoo Bond Citizens' Oversight Committee perspective on how the current Oregon Zoo Bond measure compares to the magnitude of Metro's annual financial budget, prior bond measures, and prior capital construction efforts. Metro, as a regional government, provides a broad range of services to the region's citizens.

- Metro's combined budget for 2009-10 is \$461.6 million, including \$77.6 million for capital projects.
- The Oregon Zoo is an integral part of Metro's combined budget with a total of \$46.4 million budgeted for operations and capital construction in 2009-10.
- The Zoo bond is projected to manage \$10-15 million per year in capital projects over the life of the bond; timing of projects will be determined through the Comprehensive Capital Master Plan process. Although these projects are significant, the combined annual expenditures will likely be less than 3.5 percent of Metro's annual budget.
- Metro's Sustainability Center (department) is currently managing a \$227 million Natural Areas bond, which has successfully purchased 2,356 acres of land and recently completed two parks. This bond project received positive audits from both external and internal auditors, and excellent reviews from its oversight committee.
- Metro's Parks and Environmental Services department recently completed phase three of a four-phase \$3.8 million project to make improvements to the Gleason Boat Ramp. This project is in conjunction with the State of Oregon Marine Board and the US Department of Fish and Wildlife.
- In 2003 the \$100 million Oregon Convention Center expansion project was completed on schedule and under budget.

In conclusion, while the dollar amount of the current Oregon Zoo Bond measure is significant, those funds will be spent out over a series of projects spanning multiple years. In comparison to Metro's annual budget, the zoo bond program budget will be less than 3.5 percent per year. In addition, Metro has proven success in managing large bond measure projects.

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Agenda Item F.

Status of Zoo Internal Audit Recommendations – Management Response



Status report on implementation of Oregon Zoo Capital Construction Audit Recommendations, November 2009

As of April 26, 2010

Zoo Bond Citizens'
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Metro Auditor Suzanne Flynn issued an audit in November 2009 entitled "Oregon Zoo Capital Construction: Metro's readiness to construct 2008 bond projects." That audit included a set of recommendations. Metro management issued a response to the audit on November 6, 2009, which was incorporated into the audit report.

Since November, Metro has made further progress implementing the audit recommendations and organizing the Zoo Bond Program as indicated, below.

Specific recommendations - To ensure careful stewardship of public resources and encourage realistic expectations for zoo projects:

- 1. Metro should ensure basic cost management processes are in place before it commits to large value construction contracts for bond-funded projects. This includes**
 - a. Processes for communicating the project budget to the architect;**
 - b. Estimating project costs, including appropriate contingency amounts; and**
 - c. Verifying the work scope can reasonably be completed within the budget.**

The Zoo Bond Program issued a Request for Proposals for Comprehensive Capital Master Planning services in April 2010 to procure an interdisciplinary consulting team with the primary objective of creating a Comprehensive Capital Master Plan (Plan) that includes:

- Analysis, recommendations, and an overall strategy for the Zoo to implement the specific bond projects, as well as sustainability initiatives and infrastructure improvements. This includes refining project scopes through programming and schematic design.
- An overall schedule for all projects based on the optimal project sequencing, timing, and estimated duration of each project. The plan will include a schedule for each project.
- An overall bond budget and financing plan with cost estimates for each project based on schematic designs. Adequate contingencies must be included based on the proposed site and complexity of each specific project. The plan will include direct, indirect, and overhead costs; construction cost inflation; and assumed timing for cash in- and out-flows. The Zoo expects the consultant team to balance the final schematic designs for the specific bond projects, sustainability initiatives, and infrastructure improvements with available resources.

As each bond project planning moves from schematic design to final construction documents, the bond team will clearly communicate the project budget to the consultant team.

Per Metro's contracts, the consultants are required to produce three cost estimates in the design development phase to ensure that potential cost overruns are identified and addressed. Estimates are produced at schematic design, when design development documents are 50 percent complete and at construction document permit set. If the project manager suspects, based on his or her previous experience, that a cost estimate provided by consultants is not reasonable, the project manager may obtain an estimate directly from one or more qualified third-party consultants to verify the cost estimate.

d. Monitoring and controlling spending and encumbrances.

Project expenditure monitoring and forecasting is the primary responsibility of the bond project manager. The project manager monitors project costs throughout each month and prepares updated project forecasts monthly. To assist the monitoring, the bond team has worked with Metro Finance and Regulatory Services staff to refine the program's chart of accounts and is developing automated financial system reports. The bond program manager reviews costs with the project managers and keeps the cash draw down schedule updated. The Zoo's finance manager reviews monthly reporting and prepares a quarterly financial report and year-end forecast that is presented to Metro Council. Costs are reviewed monthly by the Oregon Zoo Bond Advisory Group and quarterly by the Oregon Zoo Bond Citizens' Oversight Committee (see #4 below for more detail).

2. Metro should improve its knowledge and understanding of estimating project costs.

The Zoo Bond Program has improved its knowledge and understanding of estimating project costs by hiring experienced staff, hiring experienced consultants, and implementing processes to reach realistic project estimates, including risk-based contingency amounts. Per Metro's contracts for bond projects, the consultants are required to produce three cost estimates in the design phases to ensure that potential cost overruns are identified and addressed. A significant change in approach for the current bond program compared to prior zoo construction projects is that zoo staff will not perform capital construction in conjunction with the general contractor, or perform work that is outside the scope estimated by the consultant team. Instead, the program is competitively bidding all construction work to qualified general contractors, and will not exclude portions of the work for completion by Zoo staff. This change in approach will lead to significantly greater clarity for project scope, responsibility, and associated costs.

3. Metro should develop processes for creating, monitoring and updating schedules for individual projects and the bond program as a whole.

See response to recommendation 1, above, explaining the overall development of a bond program schedule as part of the Comprehensive Capital Master Plan. In addition, all zoo bond staff recently attended Microsoft Project software training, and are creating, monitoring and updating MS Project schedules for all active bond projects. Project schedules are reviewed and updated monthly by the bond project manager during the project reporting process. Schedule information is provided each month to the Oregon Zoo Bond Advisory Group (OZBAG). Additionally, consultant teams are contractually obligated to provide design schedules and contractors will provide detailed construction schedules.

4. Metro should establish a periodic reporting mechanism that provides the Citizens' Oversight Committee and the Metro Council with current and accurate information on cost, schedule and variances by project and for the bond as a whole.

The Zoo Bond Program is researching best practices for program budget, schedule, and variance reports for governance bodies by contacting other capital bond programs and meeting with external construction project management consultants. Initial reports are in place, with expected refinement over the coming months. Detailed program level reports will be available upon completion of the Comprehensive Capital Master Plan in August 2011.

The reporting mechanism for providing reports to the Oregon Zoo Bond Citizens' Oversight Committee is through the committee's quarterly meeting. The reporting mechanism for the Metro Council is through periodic presentations at Council meetings or work sessions. In addition, two Metro Councilors serve on the Oregon Zoo Bond Advisory Group. This group receives monthly bond program status reports and meets bimonthly to discuss program and project activities.

5. Metro should develop a consistent system to maintain Zoo bond project documentation.

The bond program has developed a consistent electronic and hard-copy file structure for bond activities. All bond program electronic files reside in an access controlled shared network location. The team uses a consistent naming and versioning protocol for files. Superseded documents are stored separately so that current versions are evident. Staff is working with the Metro records manager to define the bond program schedule of records and retention schedules in accordance with Oregon state code. Appropriate meeting records will be stored in Metro's established electronic archival system named TRIM.

To improve accountability, the Chief Operating Officer should:

6. Clarify the organizational structure by clearly delineating roles and responsibilities and lines of authority.

The organizational structure of the bond program is clearly delineated by the program organization chart. This structure has been presented and discussed with bond team members and zoo division managers. Bond program project planning and construction activity is separate from zoo operations and reports directly to the Metro deputy chief operating officer. In addition, bond program expenditure authority is separate from zoo operations with limited authority designated to the bond program manager and overall authority designated to the Metro deputy chief operating officer.

7. Clarify the role of the Finance and Regulatory Services Department in providing financial oversight to capital projects.

The zoo finance manager reports to Metro's Director of Finance and Regulatory Services (FRS). The zoo finance manager reviews and monitors all monthly bond financial reports, the draw down schedule and forecasts. The position supervises the zoo contracts administrator, who handles all zoo bond contracts and contract amendments. The bond program chart of accounts was developed by the finance manager, and the finance manager is developing the monthly financial and contract reports. In addition, the finance manager prepares the bond program quarterly financial report and year end forecast that is presented to the Metro Council.

The Metro Capital Improvement Plan coordinator also reviews monthly bond program status and expenditure reports. Recent capital project reporting requirement changes now require certain project plan and budget documents be provided to the coordinator prior to project expenditures.

Metro's procurement manager also reports to the FRS director and oversees zoo procurement. In accordance with Metro code, the procurement manager reviews and approves Zoo Bond Program contracts. Bond staff work closely with the manager in selecting, drafting and developing appropriate contract procedures and documents.

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Update on Program Activities



Program Status Report

Program Title: Zoo Infrastructure Bond	Program Manager: Craig Stroud
<p>Program Description: The Zoo Infrastructure and Animal Welfare Bond Fund program represents the capital planning and construction activities funded by the November 2008 general obligation bond authority. Program work is reported in the following categories:</p> <ul style="list-style-type: none"> • Master Planning Activities – Comprehensive Capital Master Plan, Waste and Stormwater Planning, and Off-site Elephant Site Selection and Programming Report • Land-Use Activities – Pursuit of Plan District Designation • Construction Project Activities • Project Management and Program Governance Activities 	
Reporting Period/Status Date: Q3 FY10 as of 4/26/10	Program Manager Phone: 220-2451

Performance Measures

Content and Method

The bond measure approved by the region's citizens included requirements for a citizens' oversight committee to review progress on the project improvements and to monitor spending. Program performance measures are forthcoming as the bond program and oversight committee develop.

Key Items for Management Attention

- The duration of the land-use plan district designation effort is estimated from 18 months to three years. The Comprehensive Capital Master Plan consulting work is scheduled to be completed in August 2011 (to be confirmed by consultant team upon contract award). The land-use designation work drives the overall program timeline critical path.
- Program development continues with the focus on building a robust governance and management structure to support the bond program.
- The bond team welcomed two new dedicated staff to support activities.
 - Linnea Nelson, bond program coordinator, will support the Oregon Zoo Bond Advisory Group and the Oregon Zoo Bond Citizens' Oversight Committee, as well as support financial and contract processes, and provide general support to the program.
 - Marcia Sinclair, bond public involvement specialist, will take a primary lead on public involvement and bond program communications, particularly related to pursuit of the Plan District designation. Refining the division and responsibility for program communications between Marcia, the zoo's Marketing Division, and Metro's Communications is a first task for Marcia to work through. She is refining the draft bond program communications plan in that effort.

Key Items for Metro Council Attention

- The first meeting of the Zoo Bond Citizens' Oversight Committee occurred on February 10, 2010. The committee is finalizing their charter and meets a second time on May 12, 2010.
- Comprehensive Capital Master Planning – Developed and issued a Request for Proposals to procure an interdisciplinary consulting team with the primary objective of creating a Comprehensive Capital Master Plan that includes:
 - Analysis, recommendations and a strategy for Metro to implement the specific bond projects, as well as sustainability initiatives and infrastructure improvements. This includes refining project scopes through schematic design.

- An overall schedule for all projects based on the optimal project sequencing, timing and estimated duration. This plan will include a schedule for each project.
- An overall bond budget and financing plan with cost estimates for each project based on schematic designs. Adequate contingencies must be included based on the proposed site and complexity of each specific project. The plan will include direct, indirect and overhead costs; construction cost inflation; and assumed timing for cash in- and out-flows. Metro expects the consultant team to balance the final schematic designs for the specific bond projects, sustainability initiatives and infrastructure improvements with available resources.

Senior Leadership Team Action(s) Required

- Land-Use – Ongoing contact with upper-level administrators at the City of Portland to assist with Plan District discussions.

Metro Council Action(s) Required

- Land-Use – Advocate for the Plan District designation via outreach to City of Portland commissioners to support the assignment of appropriate level staff and to support innovative development alternatives in areas such as stormwater capture and use and energy production.

Risks and Opportunities Summary

RISK/OPPORTUNITY	ACTION PLAN/UPDATE
<p>Waste and Stormwater Master Plan – Opportunity: Consultant calculated that the zoo annually uses 85 million gallons of fresh water, but they were able to account for less than half of usage. Possible water losses to pursue include animal exhibit wash downs or leaks.</p>	<p>Consultant has supplied information regarding equipment to monitor water usage during exhibit wash downs. A monitoring program is being developed.</p>
<p>Land-Use</p> <ul style="list-style-type: none"> a. Risk: The land-use process with the City of Portland is expected to take a considerable length of time. Estimates from experts involved in land-use range from 18 months to three years. While several projects are underway, the program would like to keep forward momentum for additional new projects by identifying an alternate approval process during the period leading up to land-use approval. b. Opportunity: Assess options to resource the expert disciplines to support the land-use discussions with the City. The three basic models are internal staffing, external multi-discipline consulting team or a hybrid. 	<ul style="list-style-type: none"> a. The program asked the Metro Council and Metro Senior Leadership Team to engage City of Portland Commissioners and staff in land-use discussions. Exploration of alternate strategies to obtain project approval under the zoo’s existing Conditional Use Master Plan or other process will be included. b. Review options and identify the resourcing strategy. Engage the Oregon Zoo Bond Advisory Group in the discussion.
<p>Off-Site Elephant Site Selection Report</p> <ul style="list-style-type: none"> a. Risk: An assumption is that the zoo’s on-site elephants need relocation to a finished off-site location before work on the on-site exhibit expansion begins. b. Opportunity: Off-site facility annual operating costs are estimated at least \$1 million 	<ul style="list-style-type: none"> a. Large cost implications if off-site developed. Comprehensive Capital Master Planning will address on-site elephant exhibit siting and construction strategy. Evaluate the assumptions and timing. Identify options to pursue. b. Engage Metro senior leadership and Oregon Zoo Foundation senior leadership in a strategy discussion

RISK/OPPORTUNITY	ACTION PLAN/UPDATE
annually. The source of annual funding for operations must be identified.	for annual operating funding. Meeting with OZF scheduled for 4/28.
Veterinary Medical Center – Risk of low ball bid or bid from general contractor with going concern; particularly relevant given current economic conditions.	Researched and applied a two-step Request for Bid process to mitigate risk. The first step is pass/fail based on experience and other criteria. Second step is to invite passing general contractors to bid.
Water Main Pressure Reducing Assembly – Risk: Identify sequencing and impact of potential water shutdown at the zoo with internal stakeholders.	Determine length of time required for water shutdown and coordinate event for date of least impact to zoo internal stakeholders.

Summary Status

Major accomplishments for this reporting period

Master Planning Activities

- Comprehensive Capital Master Planning – see important information about the Comprehensive Capital Master Plan under **Key Items for Metro Council Attention**, above.
 - Established zoo stakeholder teams for each major bond project, assigned a zoo bond project manager, and developing pre-design programmatic elements for each project. To assist the master planning effort, the teams began inventorying spaces adjacent to exhibits for current uses, value to mission or enterprise activities, and future opportunities.
- Waste and Stormwater Master Planning – Received first draft of report on February 10, 2010. The bond team reviewed and commented back on the draft. The consultant team concluded that approximately half of all water flowing into the zoo through meters can be accounted for with known uses (guest usage, irrigation, exhibit pools). Possible water losses to pursue include exhibit wash downs or leaks. As a first step, the team is pursuing methods and equipment to measure exhibit wash down water usage.
- Off-Site Elephant Site Selection Matrix and Program Development Report – iterated the draft report with the project consultants and internal team several times. The draft report is near finalization. Zoo staff identified site selection scoring criteria (quantitative and qualitative) to augment or refine the criteria developed by the consultant team.

Land-Use Activities

- The team worked closely with the Metro Council and senior leadership to identify the strategy and steps for addressing land-use with the City of Portland. Metro senior leadership team members contacted City Bureau leaders to inform them that Metro would be approaching the City to discuss a Plan District designation. Metro Councilors, the zoo director and the bond program manager then began meeting individually with City Commissioners to officially begin land-use discussions that will lead to an overall plan, responsibilities and timeline.
- The bond team is assessing how to best support the land-use engagement resource needs.
- Held meetings with all Washington Park Alliance organizations to explain the Plan District concept and to seek their involvement or support of the process. All indicated tentative support.

Construction Project Activities

- Veterinary Medical Center (VMC)

-
- Incorporated value engineering and re-siting opportunities in the VMC design, as presented to the Metro Council on January 5, 2010. Submitted the updated construction document plan set and environmental review amendment to the City of Portland with expected approval of those documents in May. The project cost estimate remains within the target budget.
 - Developed and issued a two-step Request for Bids for the VMC general contractor. The first step of the process is pass/fail and is intended to identify general contractors with adequate prior experience to invite to bid on the project in step two.
 - Isolated stormwater management and infrastructure improvement costs from the VMC project for separate reporting and tracking.
 - Negotiated a resolution with TriMet for the VMC construction activity impact to the MAX tunnel easement.
 - Penguin Water Filtration
 - Completed project schematic design in February, and the bond team discussed project scope and cost options with the Oregon Zoo Bond Advisory Group in March. The current scope is estimated to result in 97 percent water savings (approximately 6.8 million gallons saved) for a total project cost of \$1.73 million.
 - Working through design development (on schedule).
 - Identified the polar bear winter pool as the temporary exhibit space for penguins during construction, and identified modifications required for the space to hold penguins.
 - Evaluated renewal and replacement work to be coordinated with project construction.
 - Water Main Pressure Reducing/Backflow Assembly – Procured and awarded the architectural services design contract for the project.

Project Management and Program Governance Activities

- Held the first Oregon Zoo Bond Citizens' Oversight Committee meeting on February 10, 2010.
- Led five zoo campus tours for Metro Councilors, Oversight Committee members, Advisory Committee members and Metro managers, explaining key bond program issues, challenges and opportunities. These tours have been favorably received and have helped governance bodies and managers understand the complexity of fulfilling the bond program vision.
- Welcomed Linnea Nelson, Bond Program Coordinator, to the program team to help support the Oregon Zoo Bond Advisory Group, Citizens' Oversight Committee and program activities in general.
- Worked with the Finance and Regulatory Services section to refine the chart of accounts for bond program expenditures. The new structure will enable improved project tracking and reporting.
- Discussed with the Metro Finance team concepts and principles for budget variances and implications of donations, sponsorships and partnerships on the bond program budgeting, financing and financial reporting.
- Drafted a communication plan modeled on the Natural Areas communication plan. The Metro Auditor recently reviewed and favorably assessed the Natural Areas plan. The Metro Communications department assigned Marcia Sinclair, public involvement specialist, to the bond program to assist with land-use and overall program outreach and communications. The plan identifies parties to whom the program wants to push or pull information, as well as the initial assignment of roles and responsibilities. The draft is being updated.
- Explored project management and reporting best practices via separate meetings with a respected local Capital Project Management Consulting firm and the 2006 Beaverton School District bond fund

capital program team. Obtained the Los Angeles Zoo Bond and Capital Improvement Program monthly report to review as a model reporting tool. Reviewed other Metro bond program processes and procedures to identify best practices.

Major accomplishments for the next reporting period

Master Planning Activities

- Comprehensive Capital Master Planning
 - Hold Request for Proposal pre-proposal meeting for interested parties on May 3rd and support inquiries through Request for Proposal addendums.
 - Evaluate written proposals and arrange for oral presentations by top proposers.
- Waste and Stormwater Master Planning – Finalize the consultant report. Acquire metering equipment and begin process of calculating water use during exhibit wash downs.
- Off-Site Elephant Site Selection Matrix and Program Development Report
 - Engage Metro and The Oregon Zoo Foundation leadership in the critical annual operating funding issue.
 - Provide consultant team with final staff comments for resolution and complete the report.
 - Continue to assess properties throughout the region for siting suitability.

Land-Use Activities

- Plan District project activities – Hold informational meetings with city commissioners for Plan District advocacy. Pending the results of those meetings, a formal presentation to the combined city Bureau Directors will be scheduled. Assess the options for resourcing and recommend a model. Discuss the resourcing model at an upcoming Oregon Zoo Bond Advisory Group meeting.

Construction Project Activities

- Veterinary Medical Center – Hold RFB second step pre-proposal meeting, conclude the general contractor selection process and award the construction contract. Obtain project permits and environmental review. Prepare for project ground-breaking. Incorporate permit or plan changes into project budget and finalize project schedule with general contractor.
- Penguin Water Filtration – Complete design development phase. Evaluate and coordinate renewal and replacement funded work with the water filtration project construction.
- Water Main Pressure Reducing/Backflow Assembly – Work with architect to develop building to house the water main assembly. Identify project construction schedule.

Project Management and Program Governance Activities

- Continue out reach for capital project management best practices.
- Implement automated reporting for bond program expenditures and contract management.
- Update the bond program communication plan.
- The cash flow needs of the Veterinary Medical Center and the Penguin projects will require a bond sale around the beginning of next fiscal year. Finance and Regulatory Services staff is currently planning a \$15 million sale.
- Begin development of program performance measures.

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Oregon Zoo Bond
Citizens' Oversight
Committee Meeting
May 12, 2010
Agenda item G-1.f

CONSOLIDATED ZOO BOND PROGRAM SCHEDULE

As of April 30, 2010

Task Name	2010				2011				2012				2013		
	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1
Consolidated Bond Program Schedule															
Veterinary Medical Center															
Budget Redesign		11/12													
Step 1 Request for Bids		11/12		4/13											
Step 2 Request for Bids				5/13											
General Contractor				6/29											
Penguin Filtration															
Research & Data Gathering		1/25													
Schematic Design		1/28		3/4											
Design Development		3/4		5/5											
Construction Documents		5/5		7/15											
Bidding		7/15		8/27											
Construction Administration		8/27		3/11											
Post-Construction		3/11													
Comprehensive Capital Master Plan															
Write Zoo Master Plan RFP		2/25													
Selection of Master Plan Consultant		2/25		4/20											
Master Planning Process		4/20		8/2											
Plan District Process (Tentative)															
Contact with City officials		3/15		3/15											
Form Plan District Consulting team		3/15		6/7											
Establish baseline information		6/10		6/2											
Engage City Staff in process		8/20		8/2											
Write Plan District Application		11/10		11/1											
Public Outreach		2/8		2/8											
Planning Commission Review		1/3		1/3											
City Council Hearing Process		2/6		2/6											
Water Main Backflow Pressure Project															
Design Selection Process		10/26													
Request for Bids		10/26													
General Contractor		11/16													

This schedule includes active bond projects. The Comprehensive Capital Master Planning effort will identify the schedule and sequencing for the remaining bond projects.

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Oregon Zoo Bond
Citizens' Oversight
Committee Meeting

May 12, 2010

Agenda item I

Oregon Zoo Bond Citizens' Oversight Committee meeting

May 12, 2010

Agenda Item I.

Metro Procurement Policies and Practices

Slide 1

Purchasing and Contracting



Metro | *People places. Open spaces.*

Finance and Regulatory Services
Procurement Services

Slide 2

Overview

- Metro Code
- Annual Contract List
- MWESB Program
- Cooperative Purchasing
- Methods of Buying Goods & Services
- Types of Contracts
- Procurement Process
- Resources

Slide 3

Metro Code State & Federal Law

- Metro Code chapter 2.04
Metro Contract Policies
- Oregon Revised Statutes
 - Public Contracting Code ORS 279 A, B, & C
- Code of Federal Regulations (CFR)
 - State and Federal Funds
- State of Oregon Bureau of Labor and Industries (BOLI)
 - Prevailing Wage Rate Law

Slide 4

Annual Contract List

- As part of the annual budget process; each department identifies contracts over \$50,000
- If contract is on list, then procurement and contracting process can proceed
- If not, Council notification is required from Procurement

Slide 5

MWESB Program MBE, WBE and ESB Firms

- **MBE** – Minority-owned business enterprise (51% owned, operated)
- **WBE** – Women-owned business enterprise (51% owned, operated)
- **ESB** – Emerging small business (less than \$1 million gross receipts, < \$3 million for construction, 30 or fewer employees)
- State of Oregon maintains certified list of MWESB contractors
egov.oregon.gov/DCBS/OMWESB/

Slide 6

MWESB Procurement Rules

- Under \$5,000
 - Use of MWESB suppliers is encouraged but not required
- \$5,000 to \$25,000 (Personal Services, Goods & Supply, Public)
 - Min. 3: One contact required for MBE, WBE and ESB
 - Other non-MWESB also contacted
- \$5,000 to \$25,000 (Construction)
 - Bid among only qualified MWESB contractors
- Over \$100,000
 - Good faith effort required of all bidders to provide sub-contract opportunities to MWESB's

Slide 7

Cooperative Purchasing

- Oregon Public Contracting Code encourages use of cooperative purchasing
- Existing contracts awarded by public agencies may be used without additional bidding
- Normally include pricing based on large quantity discounts
- Easier and faster than doing our own bid or RFP process

Slide 8

Cooperative Purchasing

- State of Oregon contracts and price agreements (ORCPP)
- Western States Contracting Alliance (WSCA)
- US Communities national cooperative (USC)
- Intergovernmental cooperative purchasing committee program (ICP)
- Other Oregon agencies
- State of Washington contracts (limited)

Slide 9

Methods of Buying Goods and Services

- Purchase Orders (PO)
 - Goods & Services (services must be under \$5,000)
 - Department Purchasing Coordinators enter online PO's
 - Goods \$5,000 or more need quotes
 - Send PO to vendor with the appropriate terms & conditions
- Contracts
 - Use for large goods & supply needs, construction, personal service agreements, intergovernmental agreements (IGA's), grants and revenue agreements of any kind
 - Use when contractor does work on our property

Slide 10

Types of Contracts
Personal Service Agreement

- Professional, artistic, creative or consultative services
- Architects, engineers, consultants, trainers
- Select best proposal – not necessarily least cost
- Attach work scope as an attachment to the contract “Scope of Work - Attachment A”
- Governed by Metro Code 2.04.042

Slide 11

Types of Contracts
Personal Service Agreement

For amounts \$5,000 to \$100,000

- Informal competition required
- Minimum of three vendors contacted
- Up to \$25,000 require contact of one minority, women, and emerging small business
- Abbreviated RFP process can be used
- Use standard personal services agreement

Slide 12

Types of Contracts
Personal Service Agreement

Amount Over \$100,000

- Formal RFP process required
- Public advertisement
 - DJC
 - Minority publication
 - Metro web site
- Sealed proposals submitted
- Select best proposal (based on criteria in RFP)
- For Personal Service Agreements over \$50,000
 - Contains required provisions relating to audit and retention of documents Metro Code 2.04.035

Slide 13

Types of Contracts Goods & Supply contract

- Unit pricing established
- Ongoing purchases, quantity discounts
- Cooperative procurement language
- Use standard goods contract

Slide 14

Types of Contracts Public Contracts

- Products and Services
- \$5,000 or less – no competition required, but recommended
- \$5,000 to \$100,000 – Minimum of 3 informal bids; up to \$25,000 quotes must be solicited from MBE, WBE and ESB
- Over \$100,000 – Formal advertised sealed bid process used; posted on Metro web site

Slide 15

Types of Contracts Public Improvements

- Under \$5,000 – Competition not required, recommend use of MWESB
- \$5,000 to \$25,000 – Bid among qualified MWESB contractors
- \$25,000 to \$100,000 – Informal competition required, including outreach to MWESB's
- Over \$100,000 – Formal advertised procurement process required; good faith effort for MWESB subs; bonding required.
- BOLI prevailing wage rates apply over \$50,000 for any project

Slide 16

Types of Contracts Public Improvements

- Scope of work and drawings normally obtained through contracted A/E
- Pre-bid meeting and job site walk through often used
- Project manager works with procurement during contracting process
- Project manager oversees the work on behalf of the agency
- Any change orders handled by project manager

Slide 17

Contract amendments and change orders

- Additional or unforeseen work
- Reasonably related to the original scope
- Limited to 20% for public contracts
- Limited to 100% for personal services
- Limited to 5% or \$25,000 for public improvement contracts
- Unit pricing established in contract?
- Resolves a dispute with contractor?
- May require Council approval

Slide 18

Types of Contracts Intergovernmental Agreement

- Intergovernmental Agreement (IGA)
 - Agreements between two governments
 - No competitive bidding
 - Metro Attorney involved in development
 - Expense, Revenue or no exchange of funds
 - If work is being transferred between Metro and the other agency, then Council may need to approve it

Slide 19

Procurement Process

- Need is determined - Scope of Work
- Annual Contracts List?
- Solicitation number obtained
- Draft RFB/RFP
 - Evaluation criteria & Selection Process
 - Cover page & Sample of Contract
- Prepare a list of Planholders - MWESB
- Review & Approval
- Post on Website, Advertise, Distribute

Slide 20

Procurement Process

- Optional: Pre-Bid / Pre-Proposal Meeting
- Issue Addenda if needed
- Receive Bids / Proposals
- Evaluate for Responsiveness
- RFB: Prepare Bid Tabulation sheet
- RFP: Conduct Evaluations
 - Evaluation form
 - Evaluation Summary form
 - Point on Cost Ratio Method for Proposals

Slide 21

Procurement Process

- Evaluators Meeting
- Interview Highest Ranked Proposals
- Evaluate Interviewed Proposals
- Issue "Notice of Intent to Award"
- Negotiations
- Contract Transmittal Summary & Contract
- Contract file checklist
- Amendment & Change Order Summary
- Contract Notification of Completion

Slide 22

Procurement Timeline

- Formal – Advertisement, Metro web page
 - Recommended minimum of 15 calendar days prior to closing
 - Must run at least 5 business days prior to closing
- Pre Bid/Proposal conference
 - At least 7 calendar days after Advertisement
- Deadline for questions
 - Recommended 4 business days prior to closing
- Addenda for time extension
 - Anytime prior to closing
- Send Notice of Intent to Award
 - 7 full days prior to executing contract

Slide 23

Resources - Purchasing Related Web Sites

- **Office of MWESB - Certified Firms Search Page**
<http://www4.cbs.state.or.us/ex/dir/omwesb/>
- **State of Oregon Purchasing – Cooperative Contracts**
<http://www.oregon.gov/DAS/SSD/SPO/index.shtml>
- **Columbia Chapter NIGP - Inter-Governmental Cooperative Purchasing Contracts**
http://www.columbiachapternigp.org/index.php/education_and_procurement/C20
- **Western States Contracting Alliance - Cooperative Purchasing Contracts**
http://www.aboutwsca.org/content.cfm/id/wsca_current_contracts

Slide 24

Resources - Procurement

- Darin Matthews - Procurement Officer
- Angela Watkins – Procurement Analyst
MWESB Coordinator
- Sharon Stiffler - Procurement Analyst
- Karen Slusarenko – Procurement Analyst
- Annie Meyer – P-card Administrator

Questions? Contact Procurement services

Annie Meyer

Procurement Card Administrator, agency
503-797-1615
meyera@metro.dst.or.us

Karen Slusarenko, CPPB

Procurement Analyst, Parks, FAS, IT
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Sharon Stiffler

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Procurement Specialist (Intern)
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Darin Matthews, CPPO, C.P.M.

Procurement Officer, Council, Auditor
503-797-1626
matthewsd@metro.dst.or.us

PROCUREMENT SERVICES

Purchasing and contracting guide



METRO

www.metro-region.org 503-797-1700
600 NE Grand Ave, Portland, OR 97232

Personal service contracts

\$5,000 or less— Contract can be directly negotiated with one firm; recommend using an MBE, WBE or ESB.

\$5,000 to \$100,000— A minimum of three informal proposals required; one each from MBE, WBE and ESB for contracts up to \$25,000; for contracts \$5,000 to \$100,000 best proposal can be selected (not necessarily least cost).

More than \$100,000— Formal procurement rules apply; public notice required in Daily Journal of Commerce (DJC) and one minority business publication; Request for Proposal (RFP) posted on Metro web site; award goes to highest ranked proposer.

Purchase of products and supplies

\$5,000 or less— Only one quote required, but it is recommended that others are solicited; recommend using an MBE, WBE, or ESB supplier. Procurement cards are recommended to be used for products and supplies under \$5,000 (within P-card guidelines). Purchase orders (PO) can be used through the PeopleSoft online requisitioning system.

\$5,000 to \$100,000— A minimum of three informal quotations required, one each from MBE, WBE, and ESB for purchases up to \$25,000; award goes to lowest responsive bidder. Competitive bidding rules apply to P-card purchases.

More than \$100,000— Formal sealed bid process required; public notice required in DJC and one minority business publication; Invitation for Bid (IFB) on Metro web site.

Standard contract forms and templates for all types of services and goods can be found on the Procurement services intranet site. These contracts have been approved by Risk Management and the Office of Metro Attorney.

MBE – Minority-owned business enterprise

WBE – Women-owned business enterprise

ESB – Emerging small business

Construction services

Less than \$25,000— Projects fall within Metro's sheltered market program; competitive quotes are solicited only from qualified MWESB contractors; award goes to lowest responsive bidder.

\$25,000 to \$100,000— A minimum of three informal quotations are required; recommended that qualified MWESB contractors are contacted; award goes to lowest responsive bidder.

More than \$100,000— Formal sealed bid process required; public notice required in DJC and one minority business publication; IFB posted on Metro web site; award goes to lowest responsive bidder.

Good faith effort is required of all bidders on projects over \$100,000 in order to encourage use of MWESB sub-contractors.

Bid security required for contracts over \$50,000; performance bond and labor/materials bond also required over \$50,000.

First tier subcontractor disclosure required 2 hours after bid closing.

BOLI prevailing wage rates apply for projects over \$50,000.

Annual contract list

If contract has been included in annual budget, then procurement process and contract can proceed without additional Council approval.

If contract is not included in budget, then Council notice is required; contact Procurement services for assistance.