

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE) RESOLUTION NO. 10-4182
REAPPOINTMENT OF PRE-EXISTING MEMBERS)
AND THE APPOINTMENT OF NEW MEMBERS TO) Introduced by Council President Bragdon
THE NATURAL AREAS PROGRAM)
PERFORMANCE OVERSIGHT COMMITTEE)

WHEREAS, the Metro Code Chapter 2.19 establishes the Natural Areas Program Performance Oversight Committee (the "Committee"); and

WHEREAS, the terms of several committee members expired June 30, 2010; and

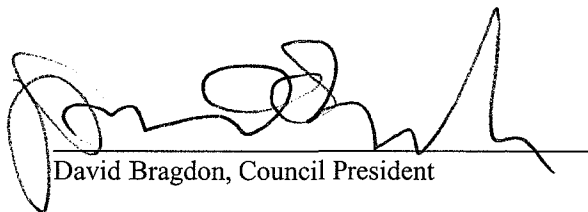
WHEREAS, Linda Craig has expressed her willingness to serve as chair of the Committee; and

WHEREAS, the Council President has reappointed David Pollock for an additional two-year term and appointed several new members to full two-year terms as set forth in Exhibit "A" attached hereto; and

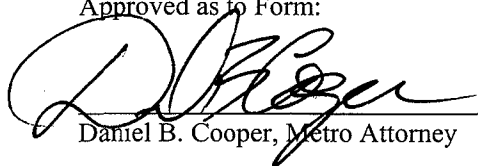
WHEREAS, the Council desires to confirm these reappointments and appointments; now, therefore,

BE IT RESOLVED, that the Metro Council confirms the reappointments and appointments to the Natural Areas Program Performance Oversight Committee as set forth in Exhibit "A" attached hereto.

ADOPTED by the Metro Council this 19th day of August, 2010.



David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

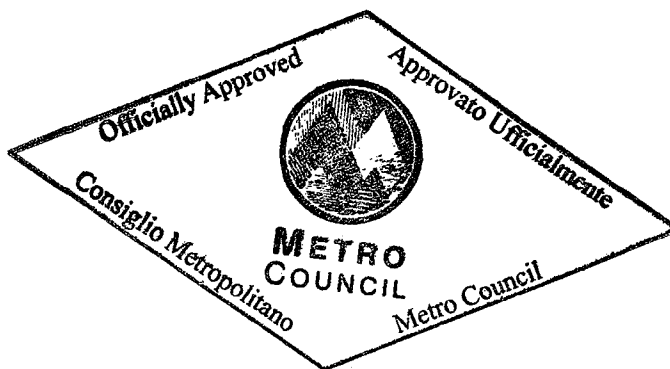


Exhibit A to Resolution No. 10-4182

**Natural Areas Program
Performance Oversight Committee**

Member Reappointments

The following person shall serve as Committee chair:

Linda Craig

The following person is reappointed to serve a two-year term from July 1, 2010 until June 30, 2012, their final term of eligibility for consecutive service on this Committee:

David Pollock

New Member Appointments

The following persons each are appointed to serve a two-year term from July 1, 2010 until June 30, 2012, and shall be eligible thereafter to serve one additional two-year term:

Drake Butsch	Shawn Narancich
Michelle Cairo	Andrew Nordby
Brad Fletcher	Cam Turner
Walt McMonies	Autumn Rudisel
Rick Mishaga	Kendra Smith

New Member Biographies

Drake Butsch

Drake is currently the Vice President of First American Title of Oregon and has been in Builder and Developer Services there for more than 14 years. He is an expert in land acquisition and development in the Portland metropolitan area. As an active member of the regions development community he has recently served as an appointee to Metro's Urban Reserves steering committee. He is a Past President of the Oregon Home Builders Association and has served on the Board of directors there and at the Home Builders Association of Metro Portland (HBAMP) and National Association of Home Builders in Washington DC. Before joining First American Title's Builder Services team, Drake was the Director of Governmental Affairs for the HBAMP for many years. While there he specialized in the leading issues of the day, including moving the urban growth boundary (UGB), the passage of the first green spaces initiative and creating a development approval process that worked in local governments. Drake also served on the Unified Sewerage Agency (currently Clean Water Services) advisory board for many years.

Michelle Cairo

Michelle is the Chief Financial Officer of Opus Solutions, and brings a wealth of knowledge surrounding planning, investing, accounting, and operating efficiently and profitably. Prior to joining Opus, she was the Director of Finance for Pacific Power, where she oversaw the investment for the transmission and distribution of power over six states. In 2010, she was selected Portland's Best CFO for medium-sized companies by the Portland Business Journal. Michelle holds a BS in Finance from University of Utah and a Master s of Business Administration from Utah State University. Michelle grew up in a large Greek family that was passionate about great food, this lead her to co-found Olympic Provisions, Oregon's first USDA cured meat plant and tapas style restaurant.

Brad Fletcher

Brad has more than 30 years of experience in commercial real estate, development, advertising/public relations and government. He specializes in the marketing, leasing and sale of industrial, high technology, office, mixed use, investment properties and land for corporate, public, institutional and individual clients worldwide. Brad is the leading producer in Portland and in the Top 100 in the nation for Grubb & Ellis and has leased and sold over seven million square feet of property and 3,000 acres of land. This transaction volume of more than \$1,000,000,000 has established Brad as a national industry leader representing many of the most significant clients and properties in Portland, including Intel, Nike, IBM, Honda, Subaru, Epson, Toshiba, Georgia Pacific, FedEx, Opus and Panattoni.

Walt McMonies

Walt is a real estate transactions attorney with Roberts Kaplan LLP. He grew up in Lake Oswego, and graduated from Catlin Gabel School, Yale University and Yale Law School. He has been active in conservation and historic preservation organizations, having been Chair or Vice Chair of the Trust for Public Land (Oregon Advisory Council), the Oregon Environmental Council, and the Historic Preservation League of Oregon. He is currently involved with his in-laws' 200 acre family farm/vineyard in Newberg and with advocacy of seismic upgrades to unreinforced masonry apartment buildings.

Rick Mishaga

Rick is a retired environmental scientist/consultant. He has a Master's degree in wildlife ecology and a Ph. D. with a specialty in ecosystems ecology. His professional career spanned 29 years including 23 years with the environmental engineering firm of CH2M Hill where he served in various capacities including Corporate Technical Group Director for Wetlands and Terrestrial Ecology. He also worked for the Portland of Portland as a natural resources program manager. Primary areas of consulting expertise included ecosystem management, habitat assessment, large-scale natural resource planning, and endangered species negotiations. He served on the Wetlands Technical Advisory Committee for the State of Oregon's Triennial Water Quality Standards Review and was appointed to Oregon's Invasive Species Council. In retirement, he remains active in professional organizations and recently has worked with the Audubon Society of Portland on the Backyard Habitat Certification Program. He volunteers with the OSU Extension Service's Master Gardeners Program and with the Oregon Zoo's Zoo Ambassador Program.

Shawn Narancich

Shawn Narancich, CFA, is a member of the equity team at Ferguson Wellman Capital Management. Previously, he was an investment analyst at Chittenden Corporation in Burlington, Vermont, a senior corporate financial analyst at Stancorp Financial Group in Portland, Oregon, a portfolio manager with Wells Fargo in Portland, and an equity analyst with D.A. Davidson in Great Falls, Montana. Shawn holds Bachelor of Science degrees in accounting and business administration from College of Great Falls and is a member of the CFA Institute Society of Portland. He also serves on the board and the financial development committee for the American Red Cross Oregon Trail Chapter. Shawn, his wife, and two children reside in Tualatin, Oregon

Andrew Nordby

Andrew is a native Oregonian. After 25 years of kitchen management in the Portland Metro area, he turned his organizational skills towards Real Estate and is a Principal Broker with Prudential North West Properties, specializing in Senior Real Estate. Deeply involved in his community, he serves as an ambassador for the North Clackamas Chamber of Commerce, is an active member of the Oregon City Chamber of Commerce and enjoys driving for the Milwaukie Center "Meals on Wheels" program. In his spare time, he mentors for the Oregon chapter of Team-In-Training, benefitting the Leukemia & Lymphoma Society and has been a Pacific Crest Triathlon participant since 2007.

Autumn Rudisel

Autumn Rudisel, Senior Vice President and Manager for Umpqua Bank's Northwest Investment Real Estate Group, has 26 years of in banking specializing in commercial real estate, both construction and term financing. Autumn has extensive experience in all income producing property types along with builder products such as acquisition and development, single-family development to include high and low rise condominiums. Autumn has experience working for community, super-regional and national banks. In addition to her experience in commercial real estate she has depth in credit and loan administration, special assets, and commercial and industrial lending to include Small Business Administration financing. Autumn earned her bachelor's degree in Real Estate Studies and Finance at Marylhurst University. She is a graduate of Pacific Coast Banking School. Autumn is an active member of the community and serves on the Clackamas Community College Foundation Development Strategy and Oversight Committee, Oregon Seismic Safety Policy Advisory Commission, board of director for Clackamas Community Land Trust, Past President of CREW Portland and currently serves as Co-Chair of the Silent and Live Auction Committee for CREW Network. Autumn is a native Oregonian and enjoys spending time with her husband, two children and yellow lab camping, waterskiing, and enjoys running and reading.

Kendra Smith

Kendra is an ecologist and certified floodplain manager specializing in restoration of streams and wetlands. Over the last 17 years, she has facilitated numerous watershed plans, restoration projects, and public policies to protect water resources in Oregon. Kendra managed restoration programming in the Tualatin River Basin for over 12 years and served on numerous committees including Oregon Association of Clean Water Agencies, Metro's Water Resources Policy Advisory, and Natural Areas Grant committees. Kendra is currently the Director of the Willamette Model Watershed Program for the Bonneville Environmental Foundation. She serves on Oregon's Watershed Enhancement Board Willamette regional grant review committee and is a member of the Urban Forestry Commission for the City of Portland.

Cam Turner

Cam is a founding member of United Fund Advisors, LLC and co-heads all management and investment activities of UFA and its affiliates. UFA is a financial services company that provides tax-advantaged investment capital and advisory services for community development and renewable energy projects. Cam has 14 years experience in real estate and corporate transactions, including private equity, structured finance, tax credit syndication, and business formation. Prior to joining UFA, he was an attorney with Schwabe, Williamson & Wyatt, P.C., focusing on securities and mergers and acquisitions. Cam's current and past board service includes the Council of Development Finance Agencies, Friends of the Portland Children's Museum, New Markets Tax Credit Coalition, Pedagogy Institute, Portland Family of Funds, Portland State University Business Outreach Program and Portland Plan Advisory Committee.



COUNCIL PRESIDENT DAVID BRAGDON

June 8, 2010

Linda Craig
Chair-designate
Natural Area Bond Oversight Committee
1201 SW 12th Ave., Ste. 222
Portland, Oregon 97205
503-808-9252

Dear Linda,

Thank you again for agreeing to chair the oversight committee, whose attention is crucial to assuring that the business practices and acquisition methods being used by our staff meet the highest standards. The Metro Council welcomes your fresh set of eyes and your professional discipline as we seek to fulfill our fiduciary responsibility with this important land conservation measure.

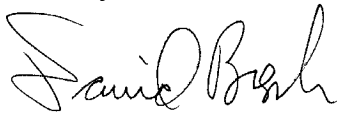
As always, the committee is authorized to ask any question or analyze any issue which the committee determine warrants investigation. More specifically, I respectfully suggest that the following areas are particularly ripe for examination prior to your next official report in March 2011:

- **Staffing and program overhead.** Two years ago the committee assessed our staff's workload in terms of number of transactions, landowner contacts made, grants administration and other activity levels, and concluded that the job descriptions and Full Time Equivalent (FTE) count of our staff was appropriate to the task, and that the proportion of expenditure on overhead relative to the expenditure on real estate was within anticipated range. Given the unusual conditions in the real estate market over the past two years, as well as the rampu-up in Nature in Neighborhood grants, it would be worthwhile to re-visit those findings. Question: given existing workload, do we have the appropriate level of staffing in terms of negotiators, legal support, grants administrators, etc., and are our payments for outsider appraisers, due diligence, environmental audits, etc. in line with what should be expected? Are our administrative expenditures an appropriate percentage of overall expense relative to land purchases and grants disbursed?
- **Progress by target area.** In 2006 the geographic target areas for this program were identified, with very rough qualitative and quantitative goals. In 2007 these goals were further honed in the "refinement" process and staff was given authorization to solicit transactions in very specific areas identified by parcel. Now, three years into the program, how is progress toward those goals, area by area? Are some lagging, and if so why? Are the goals still realistic? Are any mid-course corrections needed to place more or less emphasis on different geographic areas?

- Use of the “unusual circumstances” clause. As you know our staff is delegated authority to conclude transactions within certain parameters without case-by-case authorization by the Council. Outside those parameters they are required to declare “unusual circumstances” and bring the transaction to the Metro Council for discussion in executive session and authorization in a public televised meeting. Retrospectively looking at cases in which that procedure has been invoked, has the appropriate information been well-presented and weighed by the Council and has the Council deliberation taken the proper factors into consideration? Does this procedure make for better transactions? Does the frequency that we’re using this method seem appropriate?
- Bond sale sequence and cash management: as you know, Metro issued \$126 million in bonds in April 2007 and is using those funds to acquire land, disburse funds to local governments, and make grants under the Nature in Neighborhoods program, while paying debt service and principal through general obligation property tax revenues. We anticipate that we will still have \$50.6 million of those proceeds on hand at the end of this fiscal year, June 30, 2010, which is temporarily invested in a variety of instruments. The ballot measure authorized us to issue a total of \$227.4 million in bonds. Your committee at its discretion might want to look at our rate of expenditure, liquidity requirements, cash flow needs, tax rate, investment practices and other factors which determine how these funds are handled and when the next tranche of bonds should be issued. While we have professional bond counsel advice us on these matters, your advice would also be helpful.

The above issues are intended to give you some indication of the Metro Council’s curiosity, but not to restrict you from looking at other issues which a majority of your committee may, at its discretion, choose to examine. I look forward to your next meeting and the development of a committee work plan, which will lead to an illuminating report on your next intended timeframe in the spring of 2011. Thank you again for your service and thank you again for the attention to detail which should keep our agency ever improving its performance.

Sincerely,



David Bragdon

CC: Metro Council
Metro Auditor Suzanne Flynn
Mike Jordan
Dan Cooper
Jim Desmond

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 10-4182, FOR THE PURPOSE OF CONFIRMING THE REAPPOINTMENT OF PRE-EXISTING MEMBERS AND THE APPOINTMENT OF NEW MEMBERS TO THE NATURAL AREAS PROGRAM PERFORMANCE OVERSIGHT COMMITTEE

Date: August 19, 2010

Prepared by: Hillary Wilton
503-797-1845

BACKGROUND

The 2006 Natural Areas Bond Measure included a provision for the establishment of a citizen oversight committee in order to review and suggest improvements to the administration and implementation of the Natural Areas Program. Members of the committee have two year terms, some of which expire at the end of June in odd numbered years and some of which expire at the end of June in even-numbered years. This resolution confirms the reappointment of one member who served on the Committee during the previous years and is willing to serve a new term, confirms the appointment of a new committee chair, and confirms the appointments of several new members who would begin new terms.

The purpose of the Committee is to provide the Metro Council and the citizens of the region outside third party review that will help the region achieve the best results for clean water, fish and wildlife, and future generations. Specifically, the Committee will review program performance and report to the Metro Council regarding the program's progress in implementing the strategies, goals and objectives approved by the Metro Council for property acquisition and protection in each of the 27 target areas, as described in Council-approved refinement plans, local share projects and the Nature in Neighborhoods Capital Grants Program. In addition, the Committee may make recommendations regarding the Natural Areas Implementation Work Plan to improve program efficiency, administration and performance.

Members of the Committee are drawn from all areas of the region and from a variety of technical and professional disciplines, including finance, auditing, accounting, real estate, banking and law. Committee members share their technical and professional expertise to ensure that expenditure of the bond measure satisfies the requirements of the program.

Metro staff assist the Committee as necessary. Staff performs such duties as making technical presentations and preparing reports to the committee, coordinating and staffing meetings and drafting an annual report for the Committee's consideration and adoption.

In accordance with Metro Code 2.19.220, the Natural Areas Program Performance Oversight Committee has met consistently over the past four years and has produced two annual reports; the first in the fall of 2008 and the second in spring 2010. They have divided the program into elements so that members may immerse in specific program areas to develop meaningful recommendations. Thus far they have led staff in development of a new regional acquisition performance measurement system and advised on the Capital Grants Program.

ANALYSIS/INFORMATION

1. Known Opposition

None.

2. Legal Antecedents

Metro Resolution No. 06-3672B, For the Purpose of Submitting to the Voters of the Metro Area a General Obligation Bond Indebtedness in the Amount of \$227.4 Million to Fund Natural Area Acquisition and Water Quality Protection, approved March 9, 2006

Metro Code Chapter 2.19, "Metro Advisory Committees," providing generally applicable rules for the creation of committees providing advice to the Metro Council and appointment of members to such committees

Ordinance No. 07-1155A, Amending Metro Code Chapter 2.19 to establish the Natural Areas Program Performance Oversight Committee, and declaring an emergency, approved May 31, 2007

Resolution No. 07-3817, Confirming the Appointment of Members to the Natural Areas Program Performance Oversight Committee, approved May 31, 2007

Resolution No. 08-3953, Confirming the Reappointment of Members to the Natural Areas Program Performance Oversight Committee, approved June 26, 2008

Resolution No. 09-4046, Confirming the Reappointment of Pre-Existing Members and the Appointment of New Members to the Natural Areas Program Performance Oversight Committee

3. Anticipated Effects

By approving Resolution No. 10-4182, the Metro Council will reappoint some members and appoint new members to a committee as directed by the region's voters in November 2006. The expertise of the Committee will help ensure that the funds voters have authorized provide the greatest possible benefit to the region.

4. Budget Impacts

Staff time to staff the committee meetings and prepare reports.

RECOMMENDED ACTION

The Council President recommends adoption of Resolution No. 10-4182.