

Metro | Agenda

Meeting: Metro Council Work Session
Date: Tuesday, Jan. 7, 2014
Time: 2 p.m.
Place: Council Chamber

CALL TO ORDER AND ROLL CALL

- 2 PM** **1. ADMINISTRATIVE/ COUNCIL AGENDA FOR JAN. 9, 2014/ CHIEF OPERATING OFFICER COMMUNICATION**
- 2:15 PM** **2. 2014 REGIONAL TRANSPORTATION PLAN (RTP) STATUS UPDATE AND SUMMARY OF UPDATED PROJECT LIST - INFORMATION / DISCUSSION** **John Mermin, Metro**
- 2:45 PM** **3. CLIMATE SMART COMMUNITIES SCENARIOS PROJECT: FIRST LOOK AT RESULTS (PART 3) AND DISCUSSION OF SHAPING THE PREFERRED APPROACH - INFORMATION / DISCUSSION** **Kim Ellis, Metro**
- 3:30 PM** **4. BREAK**
- 3:35 PM** **5. OREGON ZOO – CONTRACT MANAGER/GENERAL CONTRACTOR DELIVERY METHOD FOR EDUCATION CENTER AND ASSOCIATED INFRASTRUCTURE PROJECT - INFORMATION** **Tim Collier, Metro
Jim Mitchell, Oregon Zoo
Brent Shelby, Oregon Zoo**
- 4:05 PM** **6. COUNCIL BRIEFINGS/COMMUNICATION**

ADJOURN

Metro's nondiscrimination notice

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Agenda Item No. 2.0

**2014 REGIONAL TRANSPORTATION PLAN
(RTP) STATUS UPDATE AND SUMMARY OF
UPDATED PROJECT LIST**

Metro Council Work Session
Tuesday, Jan. 7, 2014
Metro, Council Chamber

METRO COUNCIL

Work Session Worksheet

PRESENTATION DATE: January 7, 2014 **TIME:** 2:15pm **LENGTH:** 30 minutes

PRESENTATION TITLE: 2014 Regional Transportation Plan (RTP) status update and summary of updated draft project list

DEPARTMENT: Planning

PRESENTER(S): John Mermin, 503-797-1747, john.mermin@oregonmetro.gov

WORK SESSION PURPOSE & DESIRED OUTCOMES

- Purpose: Inform Metro Council of status of 2014 RTP update. Inform Council of composition of updated draft RTP project list submitted by regional partners
- Outcome: Metro Council understands status of 2014 RTP update. Metro Council understands composition of draft project list

TOPIC BACKGROUND & FRAMING THE WORK SESSION DISCUSSION

The last Regional Transportation Plan was adopted by the Metro Council in June, 2010 and approved by the USDOT in September 2010. To avoid a “lapse” the plan must be updated and approved by the USDOT by September 2014. If the plan were to lapse, no federally-funded transportation improvements could be obligated which could delay construction of local projects around the region.

The 2014 RTP work program must be scaled to focus on critical policy and project updates needed in the near term, while deferring less urgent or developed issues to the subsequent RTP update. A major focus of the 2014 update will be on meeting state and federal requirements. The primary work product of will be an updated RTP that continues to comply with federal and state requirements, especially the Clean Air Act. Additionally, the update will incorporate a few regional initiatives including the Active Transportation Plan (ATP) and Regional Safety Plan. As requested by JPACT and MPAC, a workgroup is guiding refinement of the draft ATP and related policy/map updates to the RTP.

In June 2013, staff presented the proposed work program for the RTP update to Metro Council. In September 2013 JPACT and the Metro Council approved the work program. Over the last few months, staff has been implementing the work program. Highlights include:

- Hosting a modeling workshop in August with local modeling staff and consultants
- Hosting two workshops in September with participants from TPAC, MTAC and other interested stakeholders to inform their project list update, covering topics including:
 - Demographic/economic/travel trends,
 - Proposed active transportation and safety policy edits
 - Instructions for the process (Sept-Dec 2013) to update their project list
- Answering questions from local staff as they embark on process to update their project list
- Presenting existing conditions information to JPACT on November 14th and at a Metro Council Work Session on November 19th.
- Local agencies submitted their updated project lists to Metro in early December
- Metro staff has begun coding projects for modeling
- Presented summary of composition of draft project list to TPAC on January 3

Next Steps

- RTP staff will share information about the draft project list at January meetings of JPACT (January 9), MTAC (January 15), and MPAC (January 22)
- Metro staff will share a preview of the public review draft plan at meetings of TPAC (February 28), MTAC (March 5), Metro Council work session (March 11), JPACT (March 13) and MPAC (March 26)
- A 45-day regional public comment period will be held from March 22 to May 5th
- Final action by Metro Council July 17, 2014
- The Regional Active Transportation Plan will follow a similar timeline and will next be discussed by the Metro Council at its March 11th work session

QUESTIONS FOR COUNCIL CONSIDERATION

List questions for Council's consideration that will help/guide the Council in providing policy direction.

- Does Metro Council have any questions for staff?

PACKET MATERIALS

- Would legislation be required for Council action Yes No
- If yes, is draft legislation attached? Yes No
- What other materials are you presenting today?

Agenda Item No. 3.0

**CLIMATE SMART COMMUNITIES
SCENARIOS PROJECT: FIRST LOOK AT
RESULTS (PART 3) AND DISCUSSION OF
SHAPING THE PREFERRED APPROACH**

Metro Council Work Session
Tuesday, Jan. 7, 2014
Metro, Council Chamber

METRO COUNCIL

Work Session Worksheet

PRESENTATION DATE: January 7, 2014 **TIME:** 2:45 p.m. **LENGTH:** 45 minutes

PRESENTATION TITLE: First Look at Results (Part 3) and Discussion of Shaping the Preferred Approach in 2014

DEPARTMENT: Planning and Development

PRESENTER(S): Steve Wheeler and Kim Ellis (x1617, kim.ellis@oregonmetro.gov)

WORK SESSION PURPOSE & DESIRED OUTCOMES

- **Purpose:** Staff will present remaining results from the Phase 2 scenarios analysis and seeks direction on the process for developing the region's preferred approach.
- **Outcome:** Council receives an informational presentation of additional results in advance of the January MPAC and JPACT briefings and provides direction to staff on the process for developing the preferred approach in 2014.

BACKGROUND

The Climate Smart Communities Scenarios Project was initiated in response to a mandate from the 2009 Oregon Legislature to reduce per capita greenhouse gas emissions from cars and small trucks by 20 percent below 2005 levels by 2035.

The goal of the Climate Smart Communities Scenarios Project is to engage community, business, public health and elected leaders in a discussion with their communities to shape a preferred approach that meets the state mandate and supports local and regional plans for downtowns, main streets and employment areas. To realize that goal, the Council directed staff to evaluate three illustrative approaches – or scenarios – over the summer of 2013 to better understand how best to support community visions and a vibrant economy while reducing greenhouse gas emissions. Adopted land use plans served as the foundation for each scenario. The results will be used to frame the regional discussion about which investments and actions should be included in a preferred approach for the Metro Council to consider for adoption in December 2014.

The project is currently on track to meet its legislative and administrative mandates. On November 5, the Council discussed early results related to greenhouse gas emissions, housing, jobs, travel and air quality. On December 10, staff presented results related to economic and social equity outcomes. Public health and cost-related results will be reported at the work session on January 7.

CHANGES SINCE COUNCIL LAST CONSIDERED THIS ITEM

- In December, Councilors and staff **briefed the Metro Policy Advisory Committee and the Joint Policy Advisory Committee on Transportation** on the economic and social equity related results. During the briefings and previous policy coordinating committee discussions, local officials requested joint meetings of the Metro Council, MPAC and JPACT in 2014 to discuss regional policy initiatives, including the Climate Smart Communities effort. Staff developed a

refined 4-step process that uses joint meetings to build consensus on the investments and actions to be included in the preferred approach.

- **Staff continued to analyze the three scenarios with a focus on costs and social equity, and began to review the latest results with the regional technical advisory committees.** The latest results will be presented at the January 7 work session in advance of the January MPAC and JPACT meetings.
- The **Oregon Health Authority continued preparing a health impact assessment** of the three scenarios. This work is undergoing technical review and is expected to be available to report to policymakers in January.
- The **Oregon Department of Transportation released the Statewide Transportation Strategy Short-Term Implementation Plan**¹. Accepted by the Oregon Transportation Commission in March 2013, the Statewide Transportation Strategy (STS)² identifies 18 strategies for Oregon to pursue to reduce greenhouse gas emissions from transportation. The Short-Term Implementation Plan identifies priority actions ODOT will pursue in the next 2 to 5 years to move the STS vision forward. By design, the actions identified represent “low-hanging fruit:” strategies with a relatively high degree of political acceptance, actions that maximize existing work, or actions that can be pursued at a relatively low level of effort with moderate returns.
- **ODOT, TriMet, the South Metro Area Rapid Transit (SMART) district, the Port of Portland and local governments submitted updated investment priorities for inclusion in the 2014 Regional Transportation Plan (RTP).** The investment priorities submitted by project sponsors reflect two levels of funding: a fiscally constrained level of investment and a more aspirational level of investment. RTP project staff will brief the Council on the updated investment priorities at the January 7 work session.

FOR TODAY'S DISCUSSION

The Portland metropolitan region is growing and changing. By 2035, the region's population is expected to grow to nearly 1.9 million people and 1.1 million jobs. This growth will bring more diversity, more travel, more economic activity and more infrastructure to maintain. Nearly two decades ago, the residents of this region set a course for how to manage growth with the adoption of the 2040 Growth Concept – a blueprint for how the region grows over the next 50 years. For the last 20 years, the region has focused development and investment where it makes sense – in downtowns, main streets and employment areas.

The results of the Phase 2 scenario alternatives analysis demonstrate that implementation of the 2040 Growth Concept and locally adopted land use and transportation plans and policies make the state-mandated greenhouse gas emissions reduction target achievable – if we make the investments and take the actions needed to implement those plans.

STAFF RECOMMENDATION FOR MOVING FORWARD IN 2014: Moving forward in 2014, staff recommends a four-step process for building consensus on what strategies are included in the region's preferred approach **(see Attachment 1)**.

¹ http://www.oregon.gov/ODOT/TD/OSTI/docs/STS%20Short-Term%20Implementation%20Plan_12.19.2013.pdf

² <http://www.oregon.gov/ODOT/TD/OSTI/Pages/STS.aspx> and http://www.oregon.gov/ODOT/TD/OSTI/docs/STS%20Strategy%20Summary%20Sheets_12.19.2013.pdf

- **Step 1 and 2:** In January and February 2014, the Council, MPAC, and JPACT confirm initial areas of agreement to carry forward without further discussion related to: (1) locally adopted comprehensive plans, zoning and investment priorities from local transportation system plans, ODOT, TriMet, SMART and the Port of Portland, and (2) state assumptions for pay-as-you-drive insurance, clean fuels and more fuel-efficient vehicles and engines.
- **Step 3:** From February to May 2014, the Council facilitates a regional discussion to identify assumptions related to transportation system efficiency, transit service and parking management.
- **Step 4:** From February to December 2014, the Council facilitates a regional discussion to identify potential funding mechanisms to implement the preferred approach.

The recommended process allows the remaining 2014 regional policy discussions and engagement activities to focus on a narrowed set of policy areas recommended for further discussion and input to shape a draft preferred approach by May 2014. The regional policy discussions are expected to identify additional investments and actions to complement local, regional and state actions that have already been taken or that are under way.

More discussion of each step is provided below.

STEP 1. The Council, MPAC and JPACT confirm that locally adopted comprehensive plans, zoning and investment priorities from local transportation system plans, ODOT, TriMet, SMART and the Port of Portland be carried forward for inclusion in the draft preferred approach. (January and February 2014)

Recommendation: The Council, MPAC and JPACT confirm that locally adopted comprehensive plans, zoning and updated investment priorities from local transportation system plans, ODOT, TriMet, SMART and the Port of Portland be carried forward into the draft preferred approach. The updated investment priorities were identified locally and submitted by project sponsors on December 6 for inclusion in the 2014 RTP. The submitted project lists reflect two levels of funding: (1) a fiscally constrained level of investment, and (2) a more aspirational level of investment. Staff recommends that the more aspirational set of investment priorities be carried forward and included in the draft preferred approach, pending final adoption of the 2014 RTP in July 2014.

For purposes of evaluating the draft preferred approach, staff will use a combination of the adopted 2035 growth forecast (which reflects locally adopted plans as of 2010), its estimated 12,000 acres of urban growth boundary expansion, and the draft 2014 Regional Transportation Plan State System. Additional investments and actions may be identified in Step 3.

Rationale: Project work to date has found that most of the investments and actions under consideration are already being implemented to varying degrees to realize community visions and other important economic, social and environmental goals. Many of these strategies are primarily local government responsibilities. These include implementing local transportation system plans, comprehensive plans and zoning; locating schools, services and shopping close to where people live; managing parking; completing local and arterial street connections with sidewalks and bicycle facilities; and expanding access to electric vehicle infrastructure and car-sharing programs.

Under state law, Metro has primary responsibility for maintaining the region's urban growth boundary and coordinating development of a regional population, housing and employment growth forecast to inform regional growth management decisions every five years. In November 2012, the

Metro Council adopted a population and employment growth forecast for the year 2035. The growth forecast predicts localized distribution of jobs and housing for the metropolitan area and is based on policy and investment decisions and assumptions that local officials and the Metro Council agreed upon in 2012, including locally-adopted comprehensive plans and zoning, the local and regional investment priorities assumed in 2010 Regional Transportation Plan, and designation of urban and rural reserves. The regional population and employment growth forecast underwent extensive review by local governments prior to adoption and includes estimates of expected housing and job growth by jurisdiction and land use type. Metro is required to submit these estimates to LCDC as part of documenting the planning assumptions upon which the preferred approach relies.

Updates to these planning assumptions are being made in consultation and collaboration with local governments as part of the growth management cycle that is also under way. The current growth management cycle provides an opportunity for local governments to update land use assumptions to better reflect land use plans and visions adopted since 2010, including the Southwest Corridor land use vision. An updated Urban Growth Report will be developed by the end of 2014, after which a new regional population and employment growth forecast will be developed for the year 2040. Future growth management decisions will be evaluated for transportation-related greenhouse gas emissions as part of the periodic monitoring mandated by state administrative rules.

STEP 2. The Council, MPAC and JPACT confirm investments and actions related to pay-as-you-drive insurance, clean fuels and more fuel-efficient vehicles and engines be carried forward for inclusion in the draft preferred approach. (January and February 2014).

Recommendation: The Council, MPAC and JPACT confirm that the vehicle and fuel assumptions and related investments and actions developed by three state agencies (ODOT, ODEQ and ODOE) be included in the draft preferred approach. These assumptions were specified by the Land Conservation and Development Commission when setting the region's per capita GHG emissions reduction target in 2011. The assumptions were developed based on the best available information and current estimates about improvements in vehicle technologies and fuels. This recommendation reflects what is required by state administrative rules.

Rationale: These investments and actions are primarily state and federal responsibilities, and significant work is already under way to implement them as outlined in the Governor's 10-year Energy Action Plan³, the Oregon Global Warming Commission 2020 Road Map⁴, the Statewide Transportation Strategy (STS) and STS Short-Term Implementation Plan. OAR 660-044-0040 directs Metro to identify the assumptions used for state-wide actions, such as pay-as-you-drive insurance and vehicle technology, fleet and fuels as part of documenting the planning assumptions upon which the preferred approach relies.

STEP 3. The Council facilitates a regional discussion to identify assumptions related to transportation system efficiency, transit service and parking management by May 2014 to complement local, regional and state actions from Step 1 and Step 2. (January to May 2014)

³ http://www.oregon.gov/energy/pages/ten_year/ten_year_energy_plan.aspx

⁴ http://www.keeporegoncool.org/sites/default/files/Integrated_OGWC_Interim_Roadmap_to_2020_Oct29_11-19Additions.pdf

Recommendation: The Council, MPAC and JPACT recommend focusing 2014 policy discussions and engagement activities on a narrowed set of policy areas to further shape the draft preferred approach by May 2014. The recommended policy areas are:

- a. **Improve transit** to make it more convenient, frequent, accessible and affordable.
- b. **Provide information and use technology and “smarter” roads** to manage traffic flow, boost system efficiency, and expand use of low carbon travel options and fuel-efficient driving techniques.
- c. **Manage parking** with a market-responsive approach.

Rationale: The 2014 policy discussions and engagement activities will aim to build understanding of the investments and actions needed to implement these policies and develop a recommendation on how bold or aggressive the region should be in shaping the draft preferred approach. More background on each policy area is provided below.

The first policy area, **improving transit**, has been identified during MPAC and JPACT discussions as being a key strategy for meeting the state-mandated target as well as other community and regional goals. Improving transit service is primarily the responsibility of TriMet and SMART; however, the state, Metro and local governments play important supporting roles. The analysis to date shows this policy provides a relatively high greenhouse gas emissions reduction benefit for a relatively moderate to high cost. More discussion is recommended to determine how much transit should be included in the draft preferred approach and how community-based transit solutions can help support more localized travel needs.

The second policy area relates to **providing information and incentives to make it easier for people to drive less by choice and improving the efficiency of the transportation system through technology and “smarter” roads**. This policy area has been identified as “low hanging” fruit that provides a moderate greenhouse emissions reduction benefit for a relatively low cost, and addresses other important economic, social and environmental goals. This policy area is a region-wide responsibility that involves the collaboration of Metro, ODOT, local governments, transit providers and emergency responders. The region has successfully implemented these policies and programs, but could accomplish more with expanded resources and coordination. MPAC and JPACT discussions have called for the need to consider “low hanging” fruit in the draft preferred approach, considering GHG emissions reduction potential, cost, ease of implementation and political acceptance. More discussion is recommended to identify the actions and level of investment that should be included in the draft preferred approach.

The third policy area relates to **using market-based approaches to manage parking in commercial districts, downtowns, main streets and areas that are well-served by transit**. Parking is frequently a controversial issue in communities. Many business owners and operators feel their success relies on an ample and easily accessible supply of parking, as do the customers that want convenient access to the business. The same can be true for access to work and home for employees and residents. This policy area has been identified as providing a relatively moderate to high greenhouse gas emissions reduction benefit for a relatively low cost. This policy area is primarily a local responsibility, but was identified during the December 8 JPACT discussion as a policy area for further discussion. More discussion is recommended to determine what actions in this policy area should be included in the draft preferred approach.

STEP 4. The Council facilitates a regional discussion to identify potential funding mechanisms to implement the preferred approach and an action plan to continue finance discussions beyond the Climate Smart Communities Scenarios Project.

(January to May 2014)

Recommendation: The Council, MPAC and JPACT recommend a fourth policy area – (d.) Identify potential funding mechanisms and an action plan for implementation of preferred approach – also be part of the 2014 regional discussions. The regional discussion will identify a general estimate of the amount of additional funding needed and potential funding mechanisms for key actions, including local, regional and state mechanisms, to implement the preferred approach. This recommendation reflects what is required by state administrative rules, and may include a state and federal transportation legislative package for 2015. As a result, the Climate Smart Communities effort will identify a preferred approach and potential funding mechanisms to pay for the investments needed to implement the approach. Long-term finance discussions will continue beyond the Climate Smart Communities Scenarios Project.

Rationale: Several transportation finance-related discussions are under way at the federal, state, regional and local levels about how to adequately maintain and improve transportation infrastructure. Given the complex nature of transportation finance in combination with the number of discussions under way and the project timeline, staff are not able to conduct the level of analysis and community engagement needed to inform policymakers about the broader economic and social equity implications of different mechanisms, such as a mileage-based road user fee and a carbon tax.

At the federal level, discussions have been under way about how to comprehensively address underinvestment in transportation infrastructure, the insolvency of the Highway Trust Fund and the lack of dedicated revenues for transit and active transportation investments. Legislation has been introduced to increase the federal gas tax, for example, as a step toward transitioning to other funding mechanisms such as a road user fee or carbon tax.

Since 2001, ODOT has studied the feasibility of road user fees and is currently implementing a statewide mileage-based road user fee program that allows up to 5,000 Oregon drivers to voluntarily pay 1.5 cents per mile in exchange for a gas tax reimbursement. The program will begin July 1, 2015. The STS Short-Term Implementation Plan calls for ODOT to prepare an economic impact analysis in the next biennium, and is an important next step to further advance consideration of this funding mechanism in Oregon.

In addition, state-level technical analysis and policy discussions are under way related to a carbon fee. A Portland State University study released in March 2013 found that a carbon tax could deliver billions to the state's budget.⁵ Subsequently, Senate Bill 306 directed the Oregon Legislative Revenue Officer to conduct an analysis of the feasibility of a statewide carbon fee and the potential impacts on key industries, traded-sector businesses, low-income households and local governments. A final report is mandated by November 15, 2014, and will likely inform further consideration of a fee or tax on greenhouse gas emissions in Oregon.

Locally, some cities and counties in the Portland metropolitan area are working to build community support for long-term solutions to fund existing and future transportation needs. For example,

⁵ <http://www.pdx.edu/nerc/sites/www.pdx.edu.nerc/files/carbontax2013.pdf>

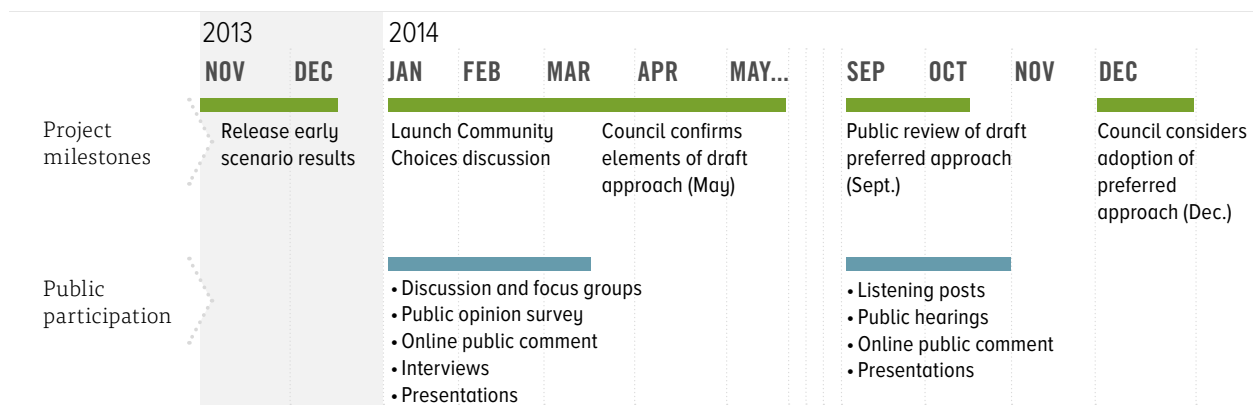
Washington County is considering a county-wide vehicle registration fee to complement the existing gas tax.⁶

Any effort to expand existing mechanisms or establish new transportation-related fees or taxes will be a long-term effort that may require support from the federal government and the Oregon Legislature and the participation of a broad range of stakeholders. More discussion is recommended to determine what funding mechanisms should be recommended in the preferred approach the Metro Council considers for adoption in December 2014, and to develop an action plan for continuing these finance discussions beyond the Climate Smart Communities Scenarios Project.

NEXT STEPS

Figure 1 provides a summary of Phase 3 activities and milestones for reference.

FIGURE 1. PHASE 3 PROJECT MILESTONES AND PUBLIC PARTICIPATION OPPORTUNITIES



- FIRST LOOK AT RESULTS: In November and December 2013**, analysis of the Phase 2 scenario results was reported back to the Metro Council, regional advisory committees and local government county-level coordinating committees, prior to engaging other community and business leaders and the public. Further analysis will be reported in January 2014. **A goal of the “First Look at Results” is to begin to identify potential policy areas on which to seek input through “Community Choices” discussions in 2014.**
- COMMUNITY CHOICES DISCUSSION: From January to May 2014**, Metro will facilitate a Community Choices discussion to explore policy choices and trade-offs. The January through March policy committee meetings are proposed to focus on providing additional background information in advance of two joint Metro Council/MPAC/JPACT meetings proposed for early April and mid-May. During this period, community and business leaders, local governments and the public will be asked to weigh in on which investments and actions should be included in the region’s preferred approach, with a focus on the regional policy areas proposed for discussion and input. On-line comment opportunities, stakeholder interviews, discussion groups, public opinion research and focus groups will be used to gather input on the four recommended policy areas. **A public engagement summary report and recommendations for the draft preferred approach will be provided to Metro’s technical and policy advisory committees in April prior to the second joint MPAC/JPACT meeting.**

⁶ <http://www.co.washington.or.us/LUT/TransportationFunding/vehicle-registration-fee.cfm>

The April and May joint MPAC/JPACT meetings will use interactive, facilitated discussions to build consensus on what investments and actions should be included in the draft preferred approach. The May joint meeting is proposed to conclude with a formal recommendation to the Metro Council from each committee recommending that Council direct staff to evaluate the agreed-upon draft preferred approach and prepare Regional Framework Plan amendments for the fall public comment period.

- **DIRECTION TO STAFF: In May 2014**, the Metro Council will be asked to provide direction to staff on the draft preferred approach. Outreach to local government officials will occur in the summer in advance of the final adoption process to be held in the fall. **The draft approach will be evaluated in Summer 2014 and then released for final public review in September 2014.**
- **ADOPTION PROCESS: From September to December 2014**, the project will move into the final adoption stage. OAR 660-044 directs the Metro Council to select a preferred approach by December 31, 2014 after public review and consultation with local governments, the Port of Portland, TriMet and the Oregon Department of Transportation. A formal 45-day public comment period is planned from September 5 to October 20. On-line comment opportunities and public hearings are planned during this period.

Concurrent with the comment period, the Fall advisory committee meetings will focus on reviewing results of staff's technical evaluation of the draft preferred approach and discussing proposed Regional Framework Plan amendments and potential refinements based on public comments received. The final action to select a preferred scenario is required to be in the form of an amendment to the Regional Framework Plan. The action is also anticipated to make recommendations to state agencies and commissions, the 2015 Legislature, and the 2018 Regional Transportation Plan (RTP) update. Final recommendations from the regional policy advisory committees will be requested in November to allow sufficient legislative process time between MPAC and JPACT actions and the final Council action. **The Metro Council is scheduled to consider adoption of a preferred approach on December 11, 2014.**

In early 2015, Metro will submit the preferred approach to the Land Conservation and Development Commission in the manner of periodic review. According to OAR 660-044, following Metro's plan amendment and LCDC review and order, Metro is required to adopt functional plan amendments, if needed, to require cities and counties to update local plans as necessary to implement the preferred approach.

QUESTION FOR COUNCIL CONSIDERATION

- Does the Council support the recommended process (Steps #1-4, above) and the policy areas recommended to be the focus of further regional discussion and input (Steps #3 and 4, above) to shape and adopt the preferred approach?

PACKET MATERIALS

- Would legislation be required for Council action? Yes No
- What other materials are you presenting today?
 - Attachment 1. 2014 Key Milestones and Decisions (*Dec. 30, 2014*)
 - Attachment 2. Shaping the Preferred Approach in 2014 (*Dec. 30, 2013*)
 - Attachment 3. Investing in Great Communities brochure (*updated Dec. 27, 2013*)



2014 DECISION MILESTONES

1. Receive Council direction on Draft Preferred Approach	May 22, 2014
2. Release Public Review Draft Preferred Approach for 45-day comment period	September 5, 2014
3. Seek Council adoption of recommended preferred approach	December 11, 2014

EVENTS AND PRODUCTS TO ACTUALIZE DECISION MILESTONES

Milestone 1

Jan. - Feb. 2014	Council, MPAC and JPACT confirm process & policy areas to discuss in 2014 Conduct interviews with community and business leaders and elected officials
Feb. – March 2014	MPAC and JPACT discuss background information on policy areas Launch public opinion research (telephone survey) and on-line public comment tool Convene discussion groups to gather input on strategies to include in preferred approach MTAC and TPAC help frame policy choices and potential funding mechanisms for MPAC and JPACT discussion
April 4	Joint Council/MPAC/JPACT meeting to discuss policy choices & potential funding mechanisms
April 2014	Public engagement report prepared for policy advisory committees and Metro Council MTAC and TPAC provide input on elements of draft preferred approach
May 16	Joint Council/MPAC/JPACT meeting to recommend draft preferred approach
May 2014	Seek Council direction on public review draft preferred approach

Milestone 2

June – August 2014	Staff evaluates draft preferred approach
	MTAC and TPAC provide input on draft adoption legislation, draft Regional Framework Plan (RFP) amendments and draft short-term implementation recommendations
	Brief local officials on draft preferred approach and upcoming adoption process
July 2014	Council discusses draft RFP amendments and draft short-term implementation recommendations
August 2014	MPAC and JPACT discuss draft RFP amendments and draft short-term implementation recommendations
September 2, 2014	Notice first public hearing
September 5, 2014	Release public review draft preferred approach for 45-day comment period

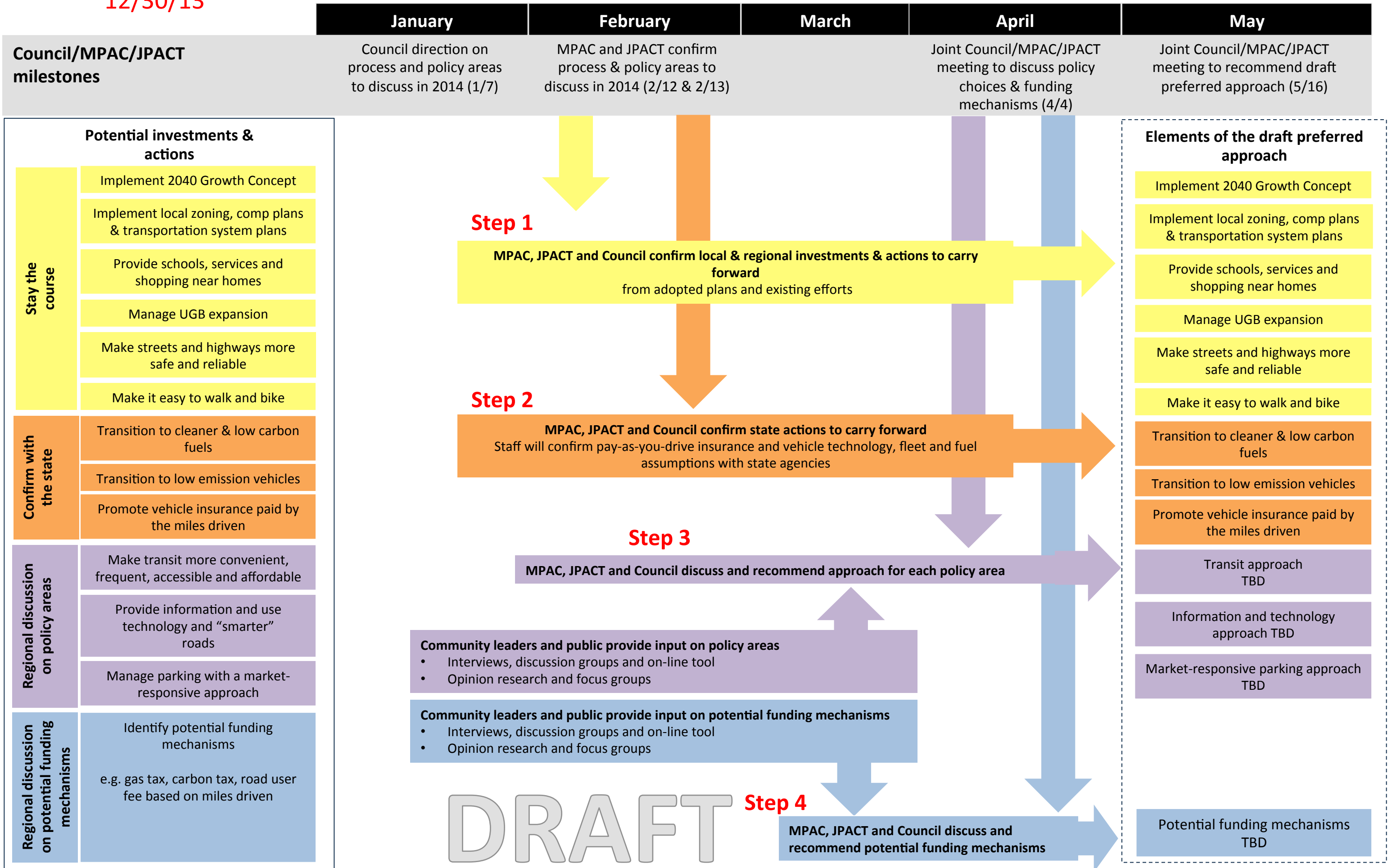
Milestone 3

Sept. 11 or 18, 2014	Metro Council - First reading/hearing
Sept. – Oct., 2014	Additional public hearings/listening posts (<i>dates TBD</i>)
September 26, 2014	TPAC preview of potential refinements from public comments
October 7, 2014	Metro Council preview of potential refinements from public comments
October 9, 2014	JPACT preview of potential refinements from public comments
October 8, 2014	MPAC preview of potential refinements from public comments
October 15, 2014	MTAC preview of potential refinements from public comments
October 20, 2014	Public comment period ends
October 22, 2014	MPAC preview of potential refinements from public comments
October 31, 2014	TPAC recommendation to JPACT
November 5, 2014	MTAC recommendation to MPAC
November 11, 2014	Metro Council discussion of recommended preferred approach
November 12, 2014	MPAC recommendation to Council
November 13, 2014	JPACT recommendation to Council
December 11, 2014	Seek Metro Council adoption of recommended preferred approach (2nd reading, final hearing and action)
January 2015	Transmit adopted preferred approach to LCDC for review

12/30/13

Shaping the Preferred Approach in 2014

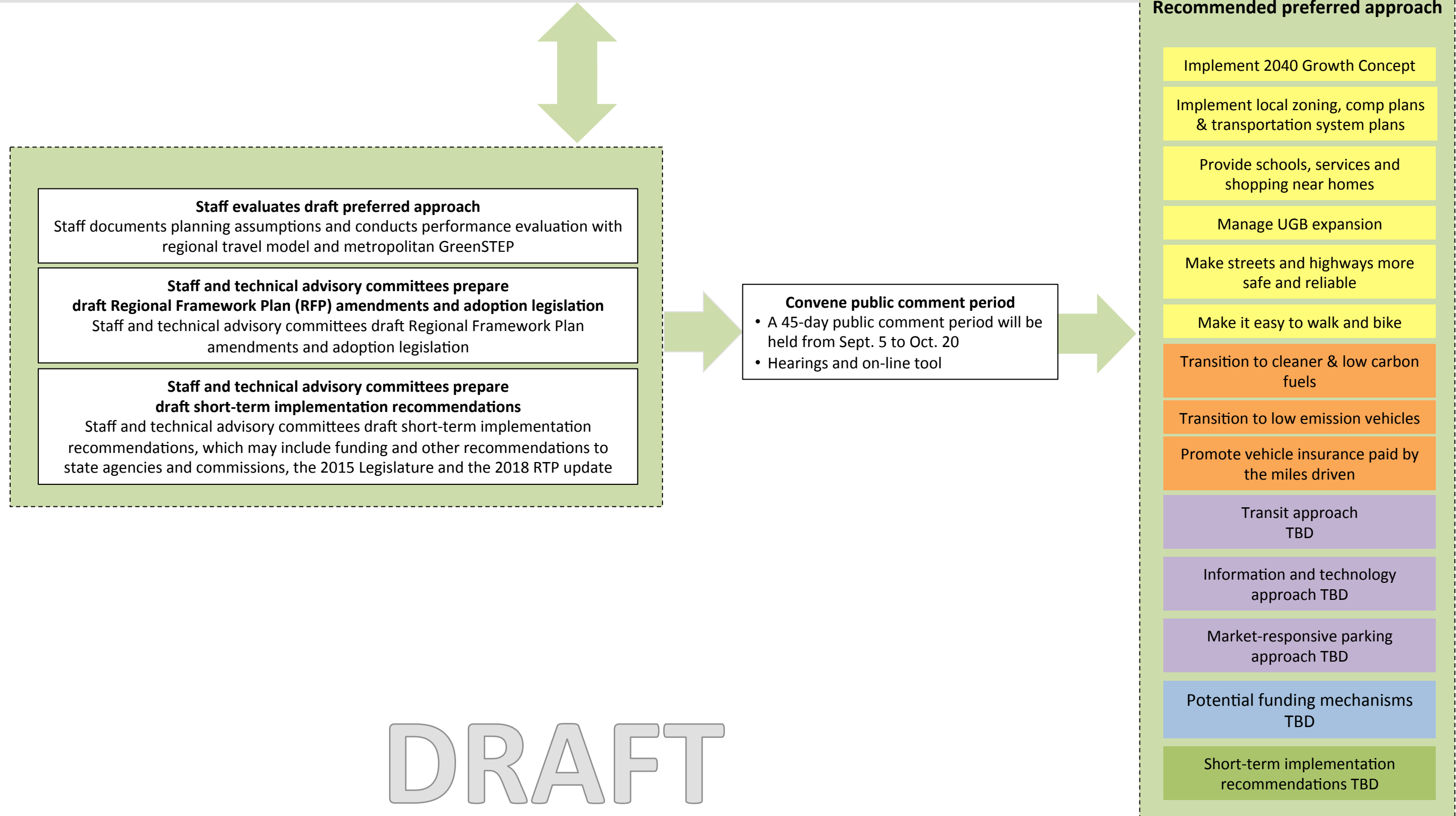
Attachment 2



Adopting the Preferred Approach in 2014

12/30/13

	June	July	August	September	October	November	December
Council/MPAC/JPACT milestones		<i>Council action on 2014 RTP investment priorities (7/17)</i>	Council/MPAC/JPACT discuss proposed RFP amendments and short-term implementation recommendations (8/5, 8/13 & 8/14)	Council/MPAC/JPACT discuss evaluation results and recommended preferred approach (9/2, 9/10 & 9/11)	Council/MPAC/JPACT discuss public comments & potential refinements (10/8 & 10/9)	MPAC & JPACT recommend to preferred approach (11/11 & 11/12)	Council action on preferred approach (12/11)



About Metro

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy, and sustainable transportation and living choices for people and businesses in the region. Voters have asked Metro to help with the challenges and opportunities that affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to providing services, operating venues and making decisions about how the region grows. Metro works with communities to support a resilient economy, keep nature close by and respond to a changing climate. Together, we're making a great place, now and for generations to come.

Stay in touch with news, stories and things to do.

www.oregonmetro.gov/connect

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Shirley Craddock, District 1
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Craig Dirksen, District 3
Kathryn Harrington, District 4
Sam Chase, District 5
Bob Stacey, District 6

Auditor
Suzanne Flynn

WHAT'S NEXT?

January to May 2014 Community and business leaders, local governments and the public are asked to weigh in on which investments and actions should be included in the region's preferred approach

May 2014 The Metro Council is asked to provide direction to staff on the draft preferred approach

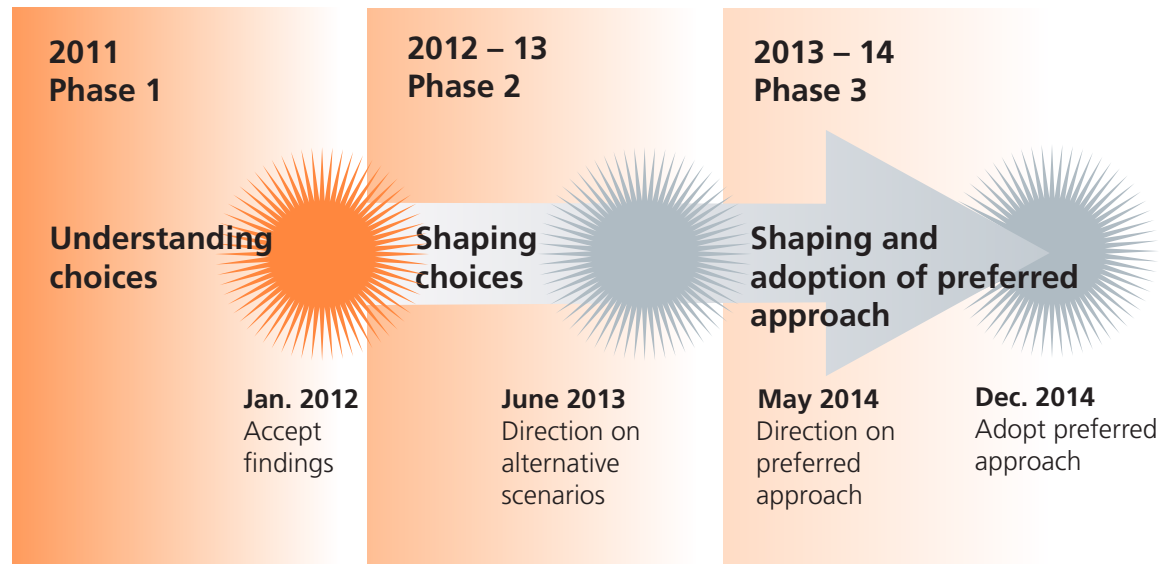
Summer 2014 Evaluation of preferred approach

September 2014 Final public review of preferred approach

December 2014 Metro Council considers adoption of preferred approach

January 2015 Submit adopted approach to Land Conservation and Development Commission for approval

Climate Smart Communities Scenarios Project timeline



WHERE CAN I FIND MORE INFORMATION?

www.oregonmetro.gov/climatescenarios

Visit the project website to learn more about existing community efforts and their challenges, and to download other publications and reports.

For email updates, send a message to climatescenarios@oregonmetro.gov



What the future might look like in 2035

Scenario A
Recent Trends
This scenario shows the results of implementing adopted plans to the extent possible with existing revenue.

Scenario B
Adopted Plans
This scenario shows the results of successfully implementing adopted land use and transportation plans and achieving the current RTP, which relies on increased revenue.

Scenario C
New Plans and Policies
This scenario shows the results of pursuing new policies, more investment and new revenue sources to more fully achieve adopted and emerging plans.

INVESTING IN GREAT COMMUNITIES

The Climate Smart Communities Scenarios Project was initiated in response to a mandate from the 2009 Oregon Legislature to reduce per capita greenhouse gas emissions by 20 percent from cars and small trucks by 2035.

There are many ways to reduce emissions while creating healthy, more equitable communities and a vibrant regional economy. Providing services and shopping near where people live, expanding transit service, encouraging electric cars and providing safer routes for walking and biking all can help.

The goal of the Climate Smart Communities Scenarios Project is to engage community, business, public health and elected leaders in a discussion with their communities to shape a preferred approach that meets the state mandate and supports local and regional plans for downtowns, main streets and employment areas.

To realize that goal, Metro evaluated three approaches – or scenarios – over the summer of 2013 to better understand how best to support community visions and reduce greenhouse gas emissions. The results will be used to frame the regional discussion about which investments and actions should be included in a preferred approach for the Metro Council to consider for adoption in December 2014.

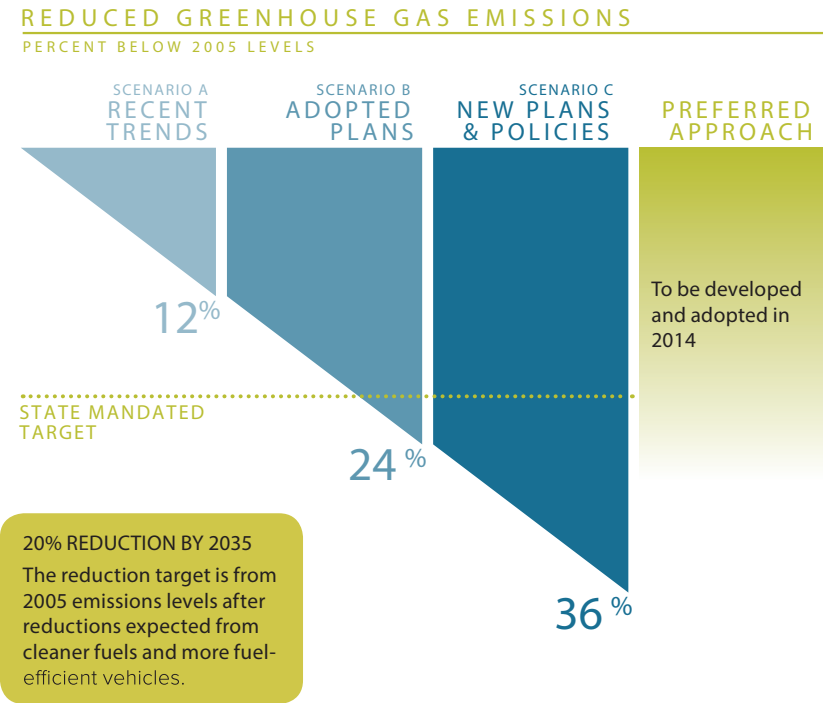


WHAT HAVE WE LEARNED SO FAR?

Adopted plans can meet the target

Our analysis indicates that adopted local and regional plans can meet our target for reducing greenhouse gas emissions – if we make the investments and take the actions needed to implement those plans.

This is good news, but there is more work to be done.



WHAT INVESTMENTS AND ACTIONS BEST SUPPORT YOUR COMMUNITY VISION?

Each community is unique

Most of the investments and actions under consideration are already being implemented to varying degrees across the region to realize community visions and other important economic, social and environmental goals.

A one-size-fits-all preferred approach won't meet the needs of our diverse communities. A combination of investments and other actions will help us realize our shared vision for making this region a great place for generations to come.



WHAT DOES THIS MEAN FOR YOUR COMMUNITY?

We're all in this together

Local, regional, state and federal partnerships are needed to make the investments and take the actions necessary to create great communities while reducing greenhouse gas emissions.

Working together, we can develop a shared strategy that may include a transportation legislative package for 2015.



INVESTMENTS AND ACTIONS THAT CREATE GREAT COMMUNITIES	RELATIVE CLIMATE BENEFIT	RELATIVE COST	WHO HAS A ROLE?			
			FEDERAL	STATE	REGIONAL	LOCAL
WHERE WE LIVE AND WORK						
Implement 2040 Growth Concept	★★★★★	\$\$\$			●	●
Implement local zoning and comprehensive plans	★★★★★	\$\$\$				●
Locate schools, services, and shopping close to neighborhoods	★★★★★	\$\$\$				●
Manage urban growth boundary expansion	★★★☆☆	\$\$\$			●	
HOW WE GET AROUND						
Maintain and make transit more convenient, frequent, accessible and affordable	★★★★★	Up to \$\$\$	●	●	●	●
Manage parking with a market-responsive approach	★★★★☆	\$\$\$				●
Use technology and "smarter" roads to manage traffic flow and boost efficiency	★★★★☆	\$\$\$	●	●	●	●
Provide information to expand use of low carbon travel options and fuel-efficient driving techniques	★★★★☆	\$\$\$	●	●	●	●
Make walking and biking more safe and convenient with complete streets and trails	★★★★☆	\$\$\$	●	●	●	●
Maintain and make streets and highways more safe, reliable and connected	★★★★☆	Up to \$\$\$	●	●	●	●
Expand access to car-sharing	★★★★☆	\$\$\$				●
OUR HEALTH AND ENVIRONMENT						
Transition to low emission vehicles and engines, including electric vehicles	★★★★★	\$\$\$	●	●	●	●
Transition to cleaner and low carbon fuels	★★★★★	\$\$\$	●	●		
Achieve federal fuel economy standards	★★★★☆	\$\$\$	●	●		

Agenda Item No. 5.0

**OREGON ZOO-CONTRACT
MANAGER/GENERAL CONTRACTOR
DELIVERY METHOD FOR EDUCATION
CENTER AND ASSOCIATED
INFRASTRUCTURE PROJECT**

Metro Council Work Session
Tuesday, Jan. 7, 2014
Metro, Council Chamber

METRO COUNCIL

Work Session Worksheet

PRESENTATION DATE: January 7, 2014 **TIME:** 3:35 p.m. **LENGTH:** 30 minutes

PRESENTATION TITLE: Construction Management by General Contractor (CM/GC) Delivery Method for the Education Center at the Oregon Zoo

DEPARTMENT: Oregon Zoo Bond Program

PRESENTER(S): Tim Collier, Metro Finance Director, phone ext. 1913,
tim.collier@oregonmetro.gov
Jim Mitchell, Bond Program Construction Manager, phone 503-914-6025,
jim.mitchell@oregonzoo.org
Brent Shelby, Bond Program Project Manager, phone 503-525-4240,
brent.shelby@oregonzoo.org

Work session purpose & desired outcomes

Purpose:

- The purpose of this work session is to discuss the recommendation to Council that the construction management by general contractor (CM/GC) alternative procurement process be authorized for construction of Education Center at the Oregon Zoo.

Outcome:

- Council members are aware of their options for procurement of construction services for the zoo bond-funded Education Center.
- Council members understand the complexities associated with constructing the Education Center.
- Council members understand how CM/GC alternative procurement helps to address the complexities with constructing the Education Center.

Background

The Oregon Zoo plans to construct a regional conservation education center as part of executing the 2008 capital improvements bond, including associated infrastructure work; a public plaza with guest amenities, a storm water detention planter, visitor path upgrades, a separate education program participant entrance and upgrading utilities. Recognizing the complexity of this project, Metro referred to analysis performed under contract by Pinnell Busch, a project management consulting firm, on recommended procurement and construction delivery methods for zoo bond program projects.

Pinnell Busch collaborated with the Oregon Public Contracting Coalition¹ whose findings concluded a Construction Management by General Contractor (CM/GC) would be the best contracting method for projects constructed in the zoo's working environment, complicated by:

- Ongoing 24-hour operations
- Widespread public access and need for a quality visitor experience to maintain current revenues

¹ Oregon Public Contracting Coalition is comprised of industry experts, from both the private and public sectors, who collaborated on this project to assess and recommend delivery methods for the zoo bond projects.

- Sensitive and potentially dangerous animal occupants
- Very difficult site layout, work site access, and geotechnical conditions
- Highly specialized exhibit construction means and methods
- Extensive program goals with somewhat limited budget for the anticipated scope and quality

The CM/GC recommendation is supported by the Oregon Zoo Bond Citizens' Oversight Committee and is a common procurement practice used by public agencies. Area agencies such as City of Portland, Tri-Met, and Port of Portland utilize the CM/GC process for their large, complex projects.

If greater participation by MWESB (minority/woman-owned/emerging small business) contractors is a goal, CM/GC offers a distinct advantage over traditional design-bid-build (low bid) method. The procurement method for CM/GC, a Request for Proposals, enables Metro to specifically request and qualitatively evaluate proposer's approach to MWESB outreach and partnership. The CM/GC delivery method offers a better ability for public agencies to increase the use of minority, women and emerging small businesses (MWESB) in sub-contracting opportunities.

The attached resolution and findings in Exhibits A and B describe the specialized nature of this project. Based on these findings, the Metro Procurement Manager believes that a value-based selection process is more appropriate than a traditional, competitive bid (which solely considers lowest bid price). Zoo bond management staff and the Office of Metro Attorney concur.

Therefore, staff seeks Council authorization to pursue the alternative procurement process known as CM/GC for the Education Center at the Oregon Zoo.. This will allow Metro to consider cost as well as experience and expertise in completing similar projects and in selecting the most advantageous contractor for this project

Questions for council consideration

- Does Council have any questions about the CM/GC alternative procurement process?
- Is there any additional information staff can provide to assist the Council?

PACKET MATERIALS

- Would legislation be required for Council action Yes No
- If yes, is draft legislation attached? Yes No
- What other materials are you presenting today? PowerPoint Presentation: Education Center at the Oregon Zoo: Recommendation for CM/GC Method of Construction

BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AUTHORIZING AN) RESOLUTION NO. 14-4499
EXEMPTION FROM COMPETITIVE BIDDING)
AND AUTHORIZING PROCUREMENT BY) Introduced by Chief Operating Officer Martha
REQUEST FOR PROPOSALS FOR THE) Bennett, with the concurrence of Council
CONSTRUCTION OF THE NEW EDUCATION) President Thomas Hughes
CENTER AT THE OREGON ZOO AND)
ASSOCIATED INFRASTRUCTURE)

WHEREAS, at the General Election held on November 4, 2008, the Metro Area voters approved Oregon Zoo Bond Measure 26-96, entitled “Bonds to Protect Animal Health And Safety; Conserve and Recycle Water,” a major component of which is the construction of a new regional conservation education center, which includes associated infrastructure work such as a public plaza with guest amenities, a storm water detention planter, visitor path upgrades, a separate education program participant entrance and utility upgrades (the “New Education Center”); and

WHEREAS, construction of the New Education Center is planned for Metro fiscal years 2015 through 2016; and

WHEREAS, ORS 279C.335 and Metro Code 2.04.054 require that all Metro public improvement contracts shall be procured based on competitive bids, unless exempted by the Metro Council, sitting as the Metro Contract Review Board; and

WHEREAS, the Oregon Zoo wishes to obtain an exemption from competitive bidding, and instead procure the construction of the New Education Center by an alternative contracting method known as Construction Manager/General Contractor (CM/GC); and

WHEREAS Metro Code Section 2.04.054(c) authorizes the exemption of a public improvement contract from competitive bidding and the appropriate use of alternative contracting methods that take account of market realities and modern innovating contracting and purchasing methods, so long as they are consistent with the public policy of encouraging competition, subject to the requirements of ORS 279C.335; and

WHEREAS, ORS 279C.335(4) requires that the Metro Contract Review Board hold a public hearing and adopt written findings showing that: the exemption of a public improvement contract from competitive bidding is unlikely to encourage favoritism in the awarding of public improvement contracts; said exemption is unlikely to substantially diminish competition for public improvement contracts; and that said exemption will likely result in substantial cost savings to Metro; now therefore

BE IT RESOLVED THAT THE METRO CONTRACT REVIEW BOARD:

1. Exempts from competitive bidding the procurement and award of a public improvement contract for the construction of the New Education Center; and
2. Adopts as its findings in support of such exemption the justifications, information and reasoning set forth on the attached Exhibits A and B, which are incorporated by this reference as if set forth in full; and
3. Authorizes the Chief Operating Officer to prepare a form of Request for Proposals for Construction Management/General Contractor that includes as criteria for contractor selection the

contractor's proposed contract management costs for pre-construction services, contractor's proposed overhead and profit costs for construction services, contractor's demonstrated public improvement project experience and expertise, the contractor's demonstrated Construction Manager/General Contractor project experience, the contractor's completion of projects of similar scale and complexity, the contractor's demonstrated quality and schedule control, the contractor's experience in incorporating sustainability construction practices and design into projects, and the contractor's record of and commitment to the use of minority, women and emerging small businesses (MWESB) and any other criteria that ensures a successful, timely, and quality project, in the best interest of Metro; and

4. Following the approval of said form of Request of Proposals by the Office of the Metro Attorney, to issue such approved form, and thereafter to receive responsive proposals for evaluation; and
5. Following evaluation of the responses to the Request for Proposals, authorizes the Chief Operating Officer to execute a contract with the most advantageous proposer to construct the New Education Center.

ADOPTED by the Metro Council this _____ day of January 2014.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

EXHIBIT A

Findings in Support of an Exemption from Competitive Bidding

Pursuant to ORS 279C.335(2) and (4), and Metro Code Section 2.04.054(c), the Metro Contract Review Board makes the following findings in support of exempting the procurement of the Education Center at the Oregon Zoo from competitive bidding, in favor of an RFP solicitation for a Construction Manager/General Contractor public improvement construction contract:

1. The exemption is unlikely to encourage favoritism or substantially diminish competition.

The Metro Contract Review Board finds that exempting the procurement of the construction of the Education Center from competitive bidding is “unlikely to encourage favoritism in the awarding of public contracts or to substantially diminish competition for public contracts” as follows: The RFP will be formally advertised with public notice and disclosure of the planned CM/GC alternative contracting method and made available to all qualified contractors. Award of the contract will be based on the identified selection criteria and dissatisfied proposers will have an opportunity to protest the award. Full and open competition based on the criteria set forth in the Metro Contract Review Board resolution will be sought, with the contract award going to the most advantageous proposer. Competition will be encouraged by: contacting local sub-contractors, including MWESB firms and notifying them of any opportunities within their area of expertise; utilizing the Oregon Daily Journal of Commerce and a minority business publication for the public advertisement; performing outreach to local business groups representing minorities, women and emerging small businesses; and by contacting contractors known to Metro to potentially satisfy the RFP criteria. Given the size of the project and the present market conditions, it is likely that the same general contractors that would have bid on the project will also submit a proposal in response to the RFP.

2. The exemption will likely result in substantial cost savings to Metro.

The Metro Contract Review Board finds that exempting the procurement of the construction of the Education Center from competitive bidding will likely result in substantial costs savings to Metro, considering the following factors:

- a. **Operational, budget and financial data:** Utilizing an RFP process to select a CM/GC will allow Metro to obtain guaranteed maximum price project costs from the construction contractor(s), and also allow for cost reductions through pre-construction services by the contractor during the design phase, including a constructability review, value engineering, and other services. Given the high degree of complexity of the project improvements, the need to integrate with pre-existing infrastructure, and challenging environmental and topographical site constraints, involving the contractor early during the design process fosters teamwork that results in a better design, fewer change orders, and faster progress with fewer unexpected delays, resulting in lower costs to Metro. Faster progress and an earlier completion date will also help Metro avoid the risk of inflationary increase in materials and construction labor costs.
- b. **Public Benefits:** The expeditious completion of the project by using the CM/GC process will help ensure that the new Education Center is available for regional conservation education partners, zoo education program participants and the public as

soon as possible, thus more quickly bringing economic benefits to the Zoo and to the Metro Area. In addition to the public benefits from the cost savings noted above, the procurement of a CM/GC construction contract through RFP process will help realize Metro's aspirational goal of obtaining 15 percent MWESB participation by enabling a qualitative review of proposers' approach to MWESB outreach and mentoring partnerships.

- c. **Value engineering**: The CM/GC process will enable the contractor to work with the project architect and the Zoo bond staff to help reduce construction costs by providing early input and constructability review to designers, avoiding costly redesigns and change orders, and providing opportunities for the architects and contractor to work together on both practical and innovative solutions to complex design issues. This type of contract will allow the designers to more easily explore with the contractor the feasibility of innovative design solutions and incorporate ongoing value engineering. Such solutions are expected to result in a more innovative project, at a lower cost, with shortened project completion time.
- d. **Specialized expertise required**. Unique projects require special qualifications. The Education Center project includes work that can only be performed by a few specialists and which will require a design team and contractor with depth of experience, including but not limited to: green building; specific animal husbandry and laboratory requirements; integration of large artworks; large-scale utility work through identified landslide areas, and full-time traffic control and guest safety. The selection of a contractor with such specialized expertise to construct the project will result in a substantially lower risk to Metro, because it increases the likelihood of the project being completed on or ahead of schedule, resulting in lower costs and increased benefit to the community. The ability to factor expertise and experience into contractor selection is inherent in the RFP process, but is not normally part of the traditional competitive bid process.
- e. **Public safety**: The Education Center is a complex project subject to a tight construction schedule. Construction will occur across a large swath from the western entrance to Washington Park to the center of the zoo while the rest of the Zoo continues to be safely open to the public. The CM/GC contracting process will enable the contractor to work with the project architect and the Zoo construction and design staff to plan for minimizing safety hazards and conflict between the project and ongoing Zoo operations, by providing early input into issues of project phasing, construction staging areas, construction access corridors, and scheduling. Such integrated early planning efforts are expected to limit delay causing conflicts and decrease risks to public safety, thus reducing the risk of delays and costly injury claims.
- f. **Technical complexity**: The design and construction of zoo exhibits requires technical expertise, knowledge, and experience, all of which can be factored into the contractor selection in the RFP process. The selection of a contractor with demonstrated experience and success in implementing such projects will result in a substantially lower risk to Metro, because it increases the likelihood of the project being completed on budget, with fewer construction delays and change orders, resulting in lower costs and increased benefit to the community. The RFP process will take into account each contractor's past performance and technical knowledge. Based on the necessary quality of the finished project, and the technical complexity

of the undertaking, the Procurement Manager believes an alternative contracting process to be necessary and in the best interest of the agency.

EXHIBIT B

Findings in Support of Use of Alternative Contracting Method

In February 2011, Pinnell/Busch, Inc., an experienced construction management firm in Portland, Oregon, worked with the Zoo's bond project team and a number of industry experts in alternative contracting methods (primarily members of the Oregon Public Contracting Coalition) to survey industry practices and results. The team's final report, recommended Construction Management by General Contractor (CM/GC) as a beneficial contracting process for zoo bond projects.

Utilizing an RFP process will not diminish competition, as it will allow for open competition among contractors experienced in CM/GC projects. The RFP will be formally advertised in local publications and posted on Metro's web site, as well as mailed to known experienced contractors. CM/GC is now the most widely used contracting method for large, mission-critical, public building projects in Oregon.

Properly implemented CM/GC contracting provides a process that ensures a successful project. Frequently cited benefits of the method include:

1. Results in a better design that meets the owner's objectives
2. Encourages competition, especially for Minority, Women, and Emerging Small Business (MWESB) subcontractors
3. Can be completed in a faster time frame
4. Costs less than a design-bid build project that is designed and constructed in the traditional manner
5. Reduces the risks of delays, cost overruns, and disputes
6. Limits the number of change orders for unforeseen conditions

These benefits would likely be particularly present for projects constructed in the Zoo's working environment which is complicated by the following factors:

1. Continual operations (24/7 basis)
2. Widespread public access and need for a quality visitor experience to maintain current revenues
3. Extremely sensitive and dangerous occupants
4. Very difficult site layout, work site access, and geotechnical conditions
5. Highly specialized exhibit construction means and methods
6. Extensive program goals with somewhat limited budget for the anticipated scope and quality

A key benefit of CM/GC is involving a contractor during the design process. Pre-construction services offered during this process include a constructability review, value engineering, and other services during design. Involving a contractor during the design fosters teamwork that results in a better design, faster progress with fewer delays, and less costs.

In addition, the use of an alternative contracting process will also satisfy the requirement set forth in ORS 279B.085(6) that the contract will be awarded to the entity that is "the most advantageous to the contracting agency."

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 14-4499 FOR THE PURPOSE OF
AUTHORIZING AN EXEMPTION FROM COMPETITIVE BIDDING AND AUTHORIZING
PROCUREMENT BY REQUEST FOR PROPOSALS FOR THE CONSTRUCTION OF THE
NEW EDUCATION CENTER AT THE OREGON ZOO AND ASSOCIATED
INFRASTRUCTURE

Date: January 9, 2014

Prepared by: Tim Collier, 503-797-1913
Brent Shelby, 503-525-4240

BACKGROUND

The Oregon Zoo plans to construct a regional conservation education center as part of executing the 2008 capital improvements bond, including associated infrastructure work; a public plaza with guest amenities, a storm water detention planter, visitor path upgrades, a separate education program participant entrance and upgrading utilities.

Recognizing the complexity of this project, Metro referred to analysis performed under contract by Pinnell Busch, a project management consulting firm, on recommended procurement and construction delivery methods for zoo bond program projects. Pinnell Busch collaborated with the Oregon Public Contracting Coalition whose findings concluded a Construction Management by General Contractor (CM/GC) would be the best contracting method for projects constructed in the zoo's working environment. The CM/GC recommendation is supported by the Oregon Zoo Bond Citizens' Oversight Committee and is a common procurement practice used by public agencies in the region.

Findings in Exhibits A and B describe the specialized nature of this project. Based on these findings, the Metro Procurement Manager believes that a value-based selection process is more appropriate than a traditional, competitive bid (which solely considers lowest bid price). Zoo Bond Program management staff and the Office of Metro Attorney concur the CM/GC method is the most beneficial to Metro.

Therefore, it is recommended to Council that the CM/GC alternative procurement process be authorized. This will allow Metro to consider cost as well as experience and expertise in completing similar projects and in selecting the most advantageous contractor for this project

ANALYSIS/INFORMATION

1. **Known Opposition** None known.
2. **Legal Antecedents** Metro Code 2.04.054, 2.04.054©; Oregon Revised Statutes 279C.335(4).
3. **Anticipated Effects** Public procurement process will be open and competitive, but items other than cost will be considered in the awarding of the contract. Increased use of MWESB subcontractors is anticipated.
4. **Budget Impacts** The CM/GC process offers safeguards for cost control of the project, including early involvement by construction contractor in the design process, as well as a limited change orders.

RECOMMENDED ACTION

Metro Council, acting as Public Contract Review Board, approves the use of a Construction Manager General Contractor process and exempts this project from traditional competitive bidding. Further, Council authorizes the execution of the resulting contract by the Chief Operating Officer in a form to be approved by the Office of the Metro Attorney.

Materials following this page were distributed at the meeting.

 **Metro** | *Agenda*

Meeting: Metro Council
Date: Thursday, Jan. 9, 2014
Time: 2 p.m.
Place: Metro, Council Chamber

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATION

3. CONSENT AGENDA

3.1 Consideration of the Council Minutes for
Dec. 19, 2013

3.2 **Resolution No. 14-4497**, For the Purpose of **Heidi Rahn, Oregon Zoo**
Confirming the Appointment of Members to the
Oregon Zoo Bond Citizens' Oversight
Committee.

4. RESOLUTIONS

4.1 **Resolution No. 14-4494**, For the Purpose of **Tom Hughes, Metro Council**
Organizing the Metro Council and the Deputy
Council President and Confirming Committee
Members.

4.2 **Resolution No. 14-4495**, For the Purpose of **Tom Hughes, Metro Council**
Appointing the Following Members to the
Metro Policy Advisory Committee (MPAC):
Wilda Parks as Clackamas County Citizen
Member and Maxine Fitzpatrick as Multnomah
County Citizen Member.

4.3 **Resolution No. 14-4499**, For the Purpose of **Tim Collier, Metro**
Authorizing an Exemption From Competitive
Bidding and Authorizing Procurement by
Request for Proposals for the Construction of
the New Education Center at the Oregon Zoo
and Associated Infrastructure.

5. CHIEF OPERATING OFFICER COMMUNICATION

6. COUNCILOR COMMUNICATION

ADJOURN

Continued on back...

Television schedule for Jan. 9, 2014 Metro Council meeting

<p>Clackamas, Multnomah and Washington counties, and Vancouver, WA Channel 30 – Community Access Network <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 <i>Date:</i> Thursday, Jan. 9</p>	<p>Portland Channel 30 – Portland Community Media <i>Web site:</i> www.pcmtv.org <i>Ph:</i> 503-288-1515 <i>Date:</i> Sunday, Jan. 12, 7:30 p.m. <i>Date:</i> Monday, Jan. 13. 28, 9 a.m.</p>
<p>Gresham Channel 30 - MCTV <i>Web site:</i> www.metroeast.org <i>Ph:</i> 503-491-7636 <i>Date:</i> Monday, Jan. 13, 2 p.m.</p>	<p>Washington County and West Linn Channel 30– TVC TV <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 <i>Date:</i> Saturday, Jan. 11, 11 p.m. <i>Date:</i> Sunday, Jan. 12, 11 p.m. <i>Date:</i> Tuesday, Jan. 14, 6 a.m. <i>Date:</i> Wednesday, Jan. 15, 4 p.m.</p>
<p>Oregon City and Gladstone Channel 28 – Willamette Falls Television <i>Web site:</i> http://www.wftvmedia.org/ <i>Ph:</i> 503-650-0275 Call or visit web site for program times.</p>	

PLEASE NOTE: Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times. Agenda items may not be considered in the exact order. For questions about the agenda, call the Metro Council Office at 503-797-1540. Public hearings are held on all ordinances second read. Documents for the record must be submitted to the Regional Engagement and Legislative Coordinator to be included in the meeting record. Documents can be submitted by e-mail, fax or mail or in person to the Regional Engagement and Legislative Coordinator. For additional information about testifying before the Metro Council please go to the Metro web site www.oregonmetro.gov and click on public comment opportunities.

Metro’s nondiscrimination notice

Metro respects civil rights. Metro fully complies with Title VI of the Civil Rights Act of 1964 that bans discrimination on the basis of race, color or national origin. For more information on Metro’s civil rights program, or to obtain a Title VI complaint form, visit www.oregonmetro.gov/civilrights or call 503-797-1536. Metro provides services or accommodations upon request to persons with disabilities and people who need an interpreter at public meetings. All Metro meetings are wheelchair accessible. If you need a sign language interpreter, communication aid or language assistance, call 503-797-1536 or TDD/TTY 503-797-1804 (8 a.m. to 5 p.m. weekdays) 7 business days in advance of the meeting to accommodate your request. For up-to-date public transportation information, visit TriMet’s website at www.trimet.org.



Metro | Agenda

Meeting: Metro Council Work Session
Date: Thursday, Jan. 9, 2014
Time: **2:30 p.m. or immediately following the regular meeting**
Place: Council Chamber

CALL TO ORDER AND ROLL CALL

2:30 PM 1. THE METRO COUNCIL'S 2014 STATE LEGISLATIVE AGENDA - INFORMATION / DISCUSSION Randy Tucker, Metro

3:15 PM 2. ADJOURN

EXECUTIVE SESSION HELD PURSUANT WITH ORS 192.660.2(h). TO CONSULT WITH COUNSEL CONCERNING THE LEGAL RIGHTS AND DUTIES OF A PUBLIC BODY WITH REGARD TO CURRENT LITIGATION OR LITIGATION LIKELY TO BE FILED.

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Metro | Memo

Date: January 3, 2014
 To: Martha Bennett, Chief Operating Officer
 From: Steve Wheeler, Interim Director, Planning and Development
 Subject: Urban Growth Report – Metro Council Touch-Points

Listed and briefly described below are forthcoming opportunities for the Metro Councilors to become informed about and make policy decisions on the Urban Growth Report. For context, it is important to recall the staff is already well immersed in activities related to the development of the UGR. The buildable land inventory is being updated as part of the supply analysis for the UGR and it is being done in conjunction with a group of public and private sector representatives. As was previously done, the demand analysis for the UGR will be a range forecast that acknowledges the difficulty of making precise estimates as much as twenty years in the future. An expert forecast panel is convened that includes economists and demographers from Portland State University, NW Natural and ECONorthwest. Finally, we are working with a variety of partners (including home builders, City of Portland, etc.) to do survey work gauging residential preferences throughout the region.

With that background here are the current touch-points for Council (it needs to be recognized that this type of schedule is fluid, and these dates can and will change if future circumstances dictate);

- o Starting January 2014 we will convene monthly meetings with staff (Ted Reid, John Williams and me) and a rotating group of three elected officials – always President Hughes and rotating two Councilors in a series of meetings. This will give Councilors a chance to become familiar with where we are in the UGR process, reassure the Councilors the process is reality based with input outside the normal domain of advisors, answer questions, etc. Depending on interest these meetings can go on for several months. At present the schedules are set from January through March.
- o 1/8/14 – MPAC, discussion on current economic conditions and implications for the 20 year population and employment growth forecast. Information/discussion
- o 2/12/14 – MPAC, evaluate past forecasts for population and employment relative to actual growth. Information/discussion
- o 3/26/14 – MPAC, review Preliminary 20 year range forecast for regional population and employment growth, Information
- o 4/22/14 – Metro Council Work Session, progress update
- o 7/23/14 – MPAC, release draft 2014 UGR
- o 9/10/14 – MPAC, consider results of residential preference survey
- o 10/8 and 10/22/14 MPAC, discuss recommendation to Metro Council on UGR.
- o 10/21/14 – Metro Council Work Session, discussion of policy issues and considerations to be used in UGB process.
- o 11/12/14 – MPAC, finalize recommendation to Metro Council on UGR.
- o 11/14 – Metro Council, public hearing(s) on UGR held.
- o 12/14 – Metro Council, formally receive UGR.

www.oregonmetro.gov/rtp

**2014
RTP
UPDATE**



RTP status update & summary of updated draft project list

**Metro Council Work Session
January 7, 2014**

John Mermin, project manager



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RTP Status update



- Needs to be adopted by July 2014



- JPACT and Metro Council adopted work program in September



- Project solicitation completed in Fall 2013

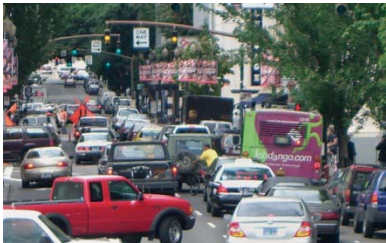


What's in the current RTP?



- Shaped by regional goals adopted in 2010

- 1071 projects compiled from local plans



- Total of \$19.8 billion representing federal, state, regional and local funds



- Broad range of types - bicycle, pedestrian, transit, demand management, system management, auto and freight.



Collaboration with many partners

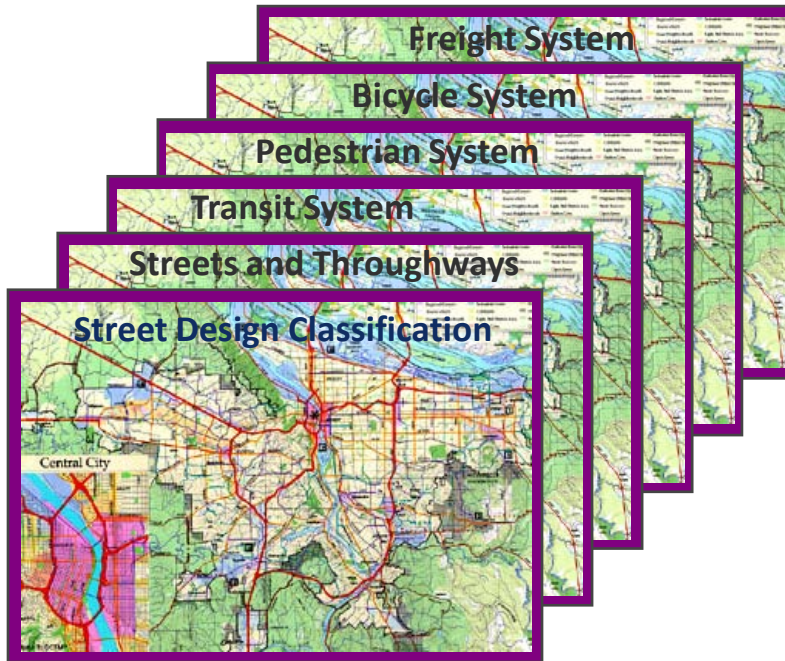


- **Projects come from many places**
 - **Cities**
 - **Counties**
 - **TriMet and SMART**
 - **ODOT**
 - **Port of Portland**

- **Metro compiles projects and knits them together into a single system that crosses boundaries**



What makes a project regional ?



- On a regional system map
OR
- Within a 2040 target area
(Center or Industrial area)



It's a Federal Mandate



- The USDOT requires metropolitan regions to maintain a Regional Transportation Plan with updates every four years
- The RTP must cover a rolling 25-year planning horizon
- Failing to update an RTP results in a “lapse” and stops the flow of federal transportation funds



It's a State Mandate



- Oregon's planning program includes a transportation planning rule (TPR) that sets forth regional and local requirements that go beyond the federal mandate
- The TPR also requires regular RTP updates (within 1 year of a federal update), but with less force than the required federal updates
- The RTP adopted as a land use action under the state framework as a vehicle for implementing the Region 2040 plan



State Mandate



- Under the statewide rule, the RTP functions as the regional Transportation System Plan (TSP)



- The TPR also requires cities and counties to adopt a local TSP that is consistent with the regional TSP



- Under the statewide rule, updates to the RTP trigger a timeline for local TSP updates



Regular Updates for a Reason



- Regular RTP updates are required for good reason, as they ensure our transportation decisions reflect current conditions:
 - *Recent economic and population trends*
 - *Recently adopted corridor plans*
 - *New policies and modal plans (e.g. Active Transportation Plan (ATP))*
 - *Recently updated local TSPs*
- Regular RTP updates help avoid RTP amendments for individual projects



RTP Linked to Clear Air Act



- The updated RTP must conform to federal clean air standards in order to take effect
- Metro accomplishes this “conformity” demonstration using our regional travel model to evaluate the combined effect of projects in the RTP on air quality
- The conformity determination must be “financially constrained” and meet a series of Transportation Control Measures (TCMs) that ensure ongoing investments in clean transportation



MTIP draws projects from the RTP



- The Metropolitan Transportation Improvement Program (MTIP) draws projects and programs for federal funding from the RTP
- MTIP project pool limited to the RTP “financially constrained list”
- The MTIP must also be conformed to show compliance with the federal Clean Air Act



Solicitation criteria for 2014 RTP

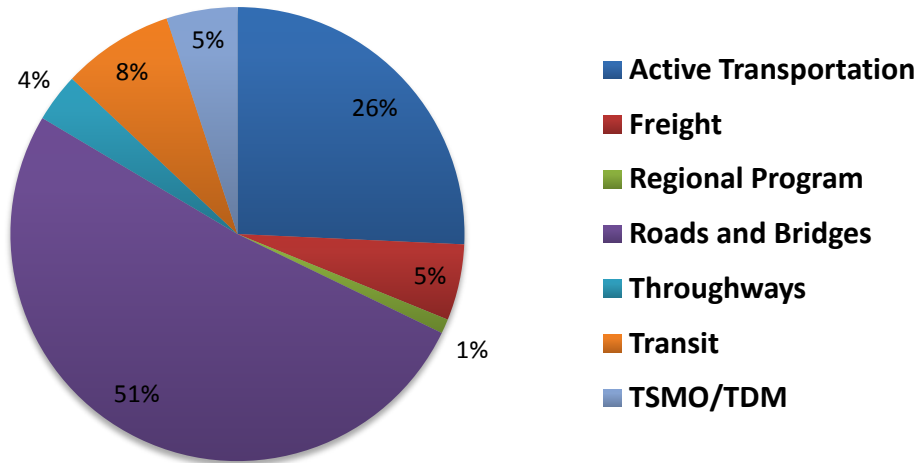


- **Local projects must have been adopted through a public process:**
 - Local TSPs
 - Area or corridor plans
 - Special action to endorse projects
- **Metro has solicited new projects and changes to existing projects as part of the update**
- **The overall project list is subject to an updated regional funding forecast**

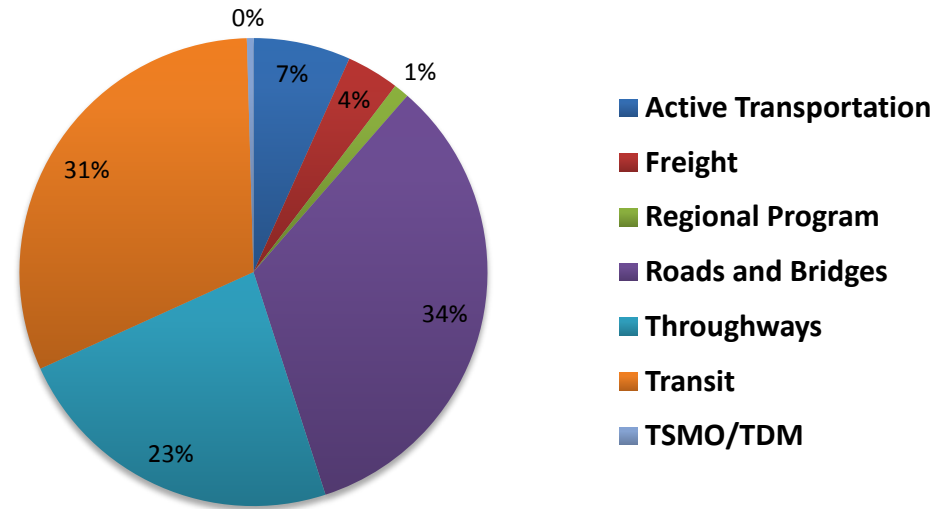


Composition of adopted RTP project list

By Number of Projects

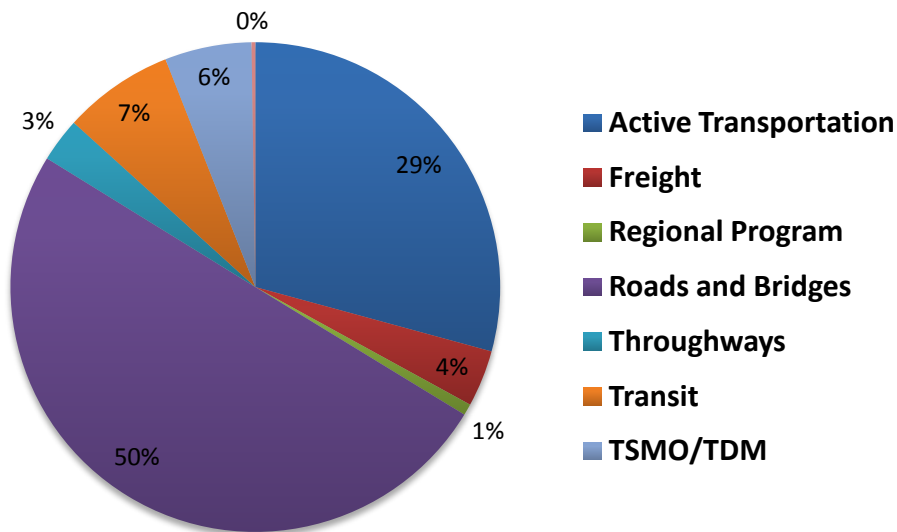


By Cost of projects

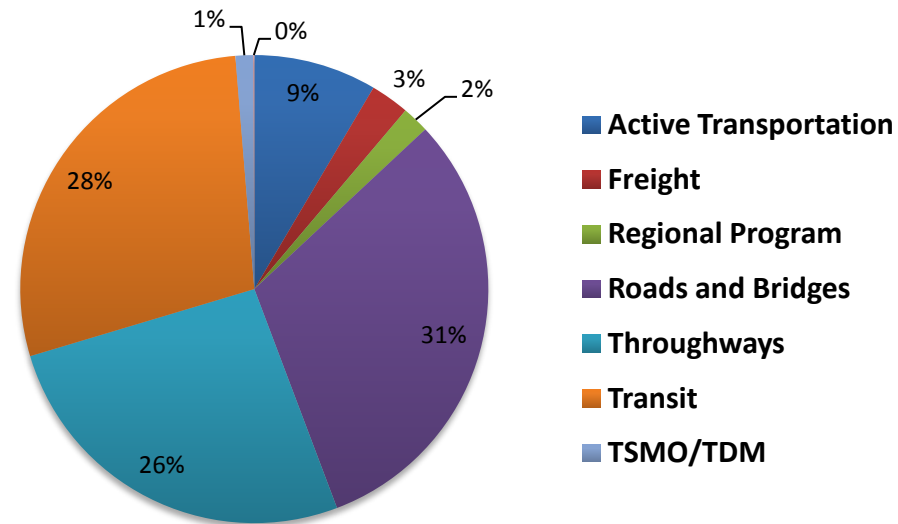


Composition of updated draft project list

By Number of Projects



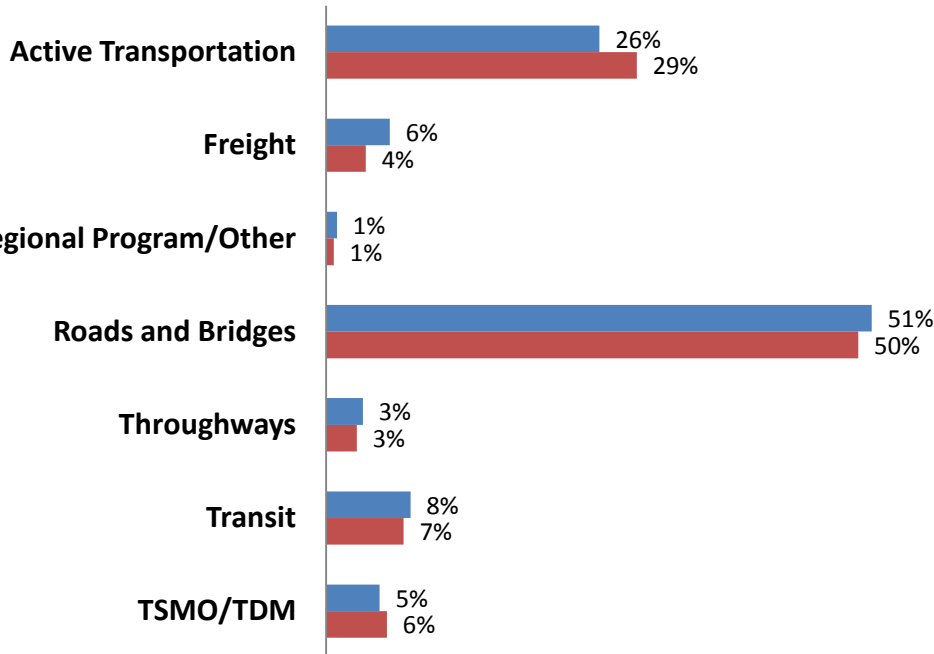
By Cost of Projects



Change in project list since last RTP

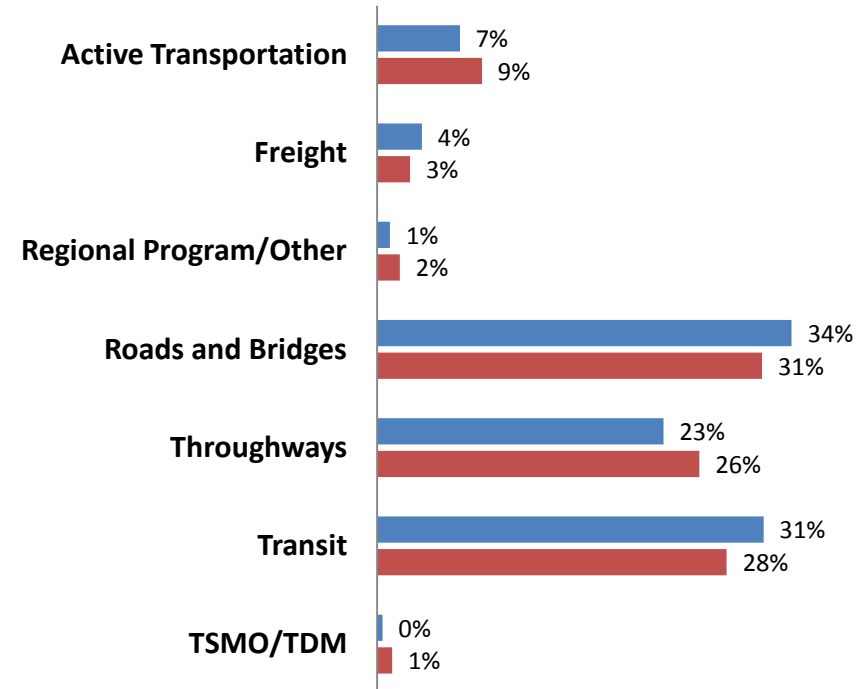
Project Composition (by number)

■ Adopted RTP ■ Updated Draft RTP



Project Composition (by cost)

■ Adopted RTP ■ Updated Draft RTP



Composition of draft project list by Sub-region

- All 4 sub-regions increased the share of their list towards active transportation projects

Clackamas County

- Active transportation increased from **38% to 43%** by number... **26% to 31%** by cost

East Multnomah County

- Active transportation increased from **13% to 14%** by number... **4% to 8%** by cost

Washington County

- Active transportation increased from **22% to 28%** by number... **8% to 11%** by cost

Portland

- Active transportation increased from **49% to 50%** by number... **29% to 34%** by cost



Composition of draft project list from regional/state agencies

- Similar project composition as in last RTP for ODOT, Port, TriMet, SMART, Metro

ODOT

- Primarily throughway projects

Port

- Primarily freight projects

TriMet/SMART

- Primarily transit projects

Metro

- Primarily regional programs



Scale of projects

Throughways

- 2 projects greater than \$1B
 - Columbia River Crossing and Hwy 217
- 6 projects from \$100 to \$300M
- 28 projects less than \$100M

Transit

- 3 projects greater than \$1B
 - SW Corridor High Capacity Transit
 - Vancouver, WA light rail, Milwaukie light rail
- 7 projects from \$100 to \$400M
- 79 projects less than \$100M

Roads & Bridges

- 7 projects greater than \$75M
- 89 projects from \$20 to \$75M
- 266 projects from \$5 to \$20M
- 240 projects less than \$5M

Active Transportation

- 41 projects more than \$10M
- 77 projects from \$5 to \$10M
- 232 projects less than \$5M

Freight

- 9 projects greater than \$25M
- 23 projects from \$5 to \$25M
- 13 projects less than \$5M

TSMO

- 6 projects greater than \$10M
- 26 projects from \$1 to \$10M
- 36 projects less than \$1M





Next Steps

- Policy committee briefings in January
- **Council work session March 11 to review draft RTP and ATP**
- **Public Comment Period (March 22 – May 5)**
- **Air quality modeling & comment period (May - June)**
- **Final Action by Metro Council July 17th**



Questions



John Mermin, 503-797-1747

John.mermin@oregonmetro.gov



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Quick Facts about the Regional Transportation Plan (RTP)

- The Council adopted the 2014 RTP work program for a limited update to the plan at its September 12 meeting.
- RTP staff presented demographic, economic and travel trends that frame this RTP update at the November 19 Council work session.
- Today RTP staff is back to share an overview of the updated draft list submitted by local jurisdictions around the region.
- In the current RTP, adopted in 2010, there are 1071 projects compiled from all across the region.
- The projects total \$19.8 billion, representing federal, state, regional and local funding through 2035.
- There are a broad range of project types in the plan including bicycle, pedestrian, transit, demand management, system management, auto and freight.
- The regional goals in the existing RTP adopted in 2010 remain in place and shape the context for the 2014 update.
- Regional partners who collaborate to develop the RTP
 - Metro
 - Counties
 - Cities
 - ODOT
 - TriMet
 - Port of Portland
 - DEQ
 - Advocates
- Metro compiles projects submitted by local partners and knits them together into a regional system that crosses boundaries.

**CLIMATE
SMART
COMMUNITIES
SCENARIOS PROJECT**

www.oregonmetro.gov/climatescenarios

Climate Smart Communities Scenarios Project

First Look at Results – Part 3

Metro Council

Kim Ellis, project manager

January 7, 2014



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First Look at Results

NOVEMBER – PART 1

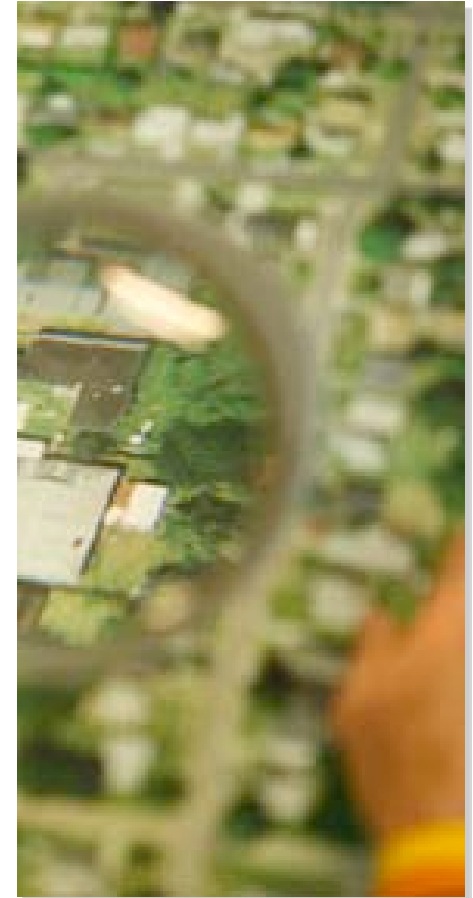
- ☑ Report emissions, travel, air quality, housing and job outcomes

DECEMBER – PART 2

- ☑ Report costs relative to economic and social equity outcomes

JANUARY – PART 3

- ☑ Report public health and cost outcomes
- ☑ Direction on process and policy areas recommended for regional discussion and input in 2014

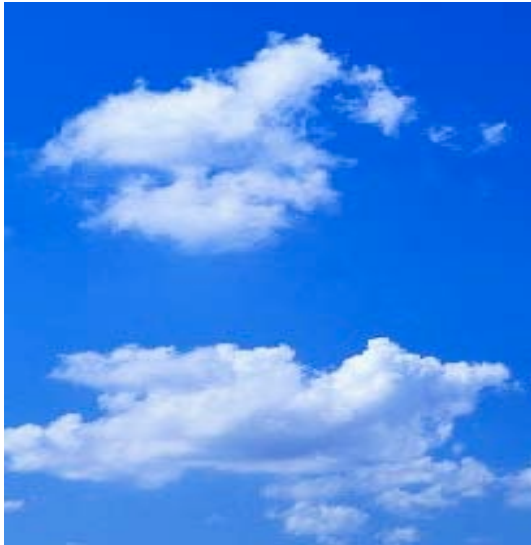
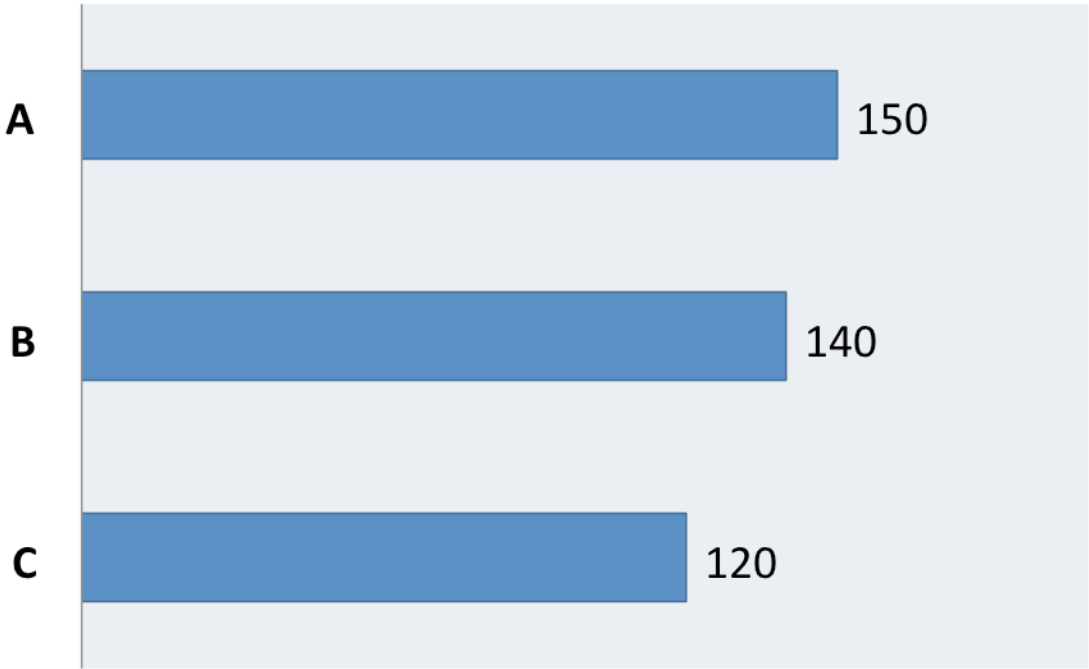


WHAT WE LEARNED

PART 3

Investment helps reduce air pollution

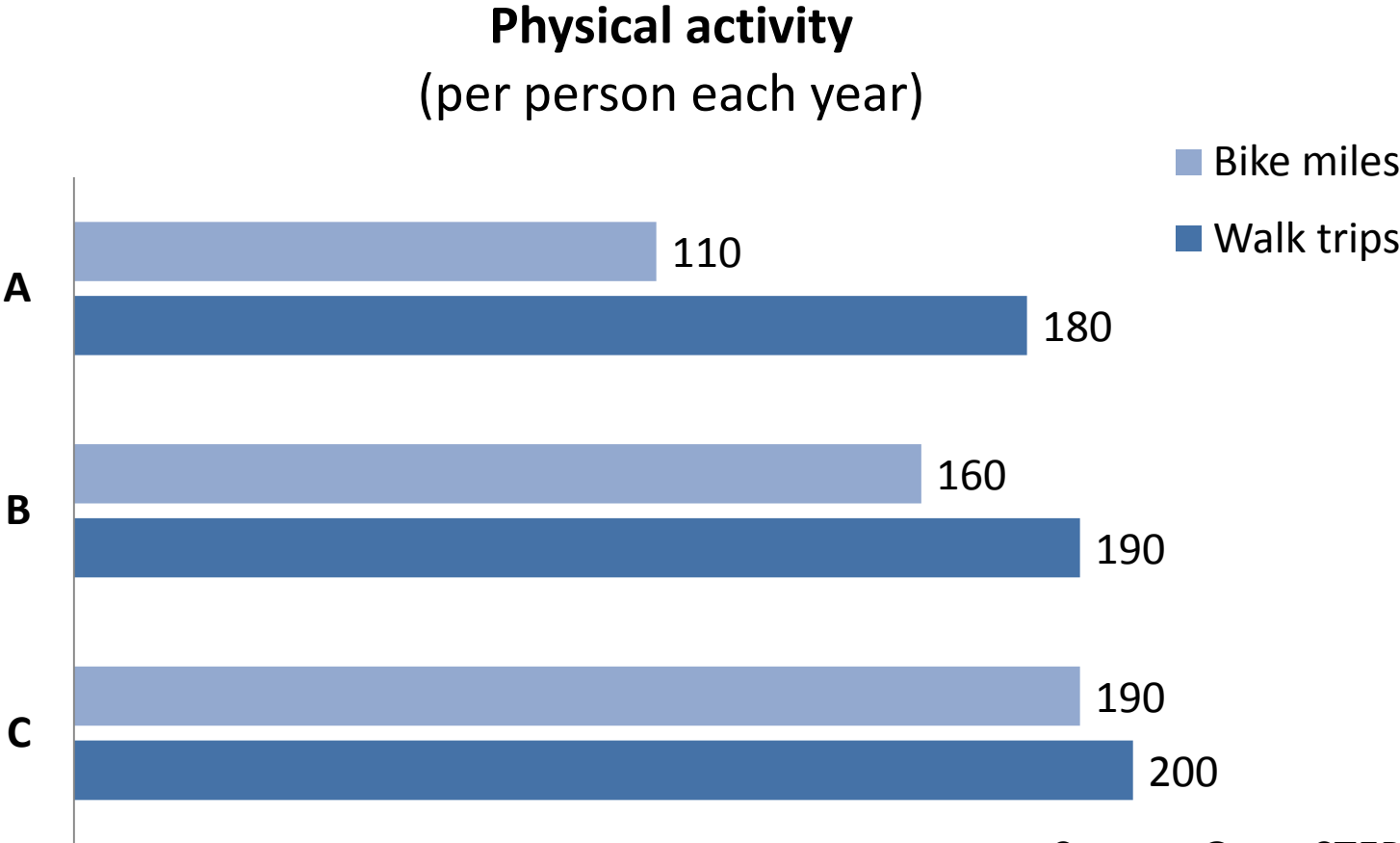
Air pollutants
(metric tons per day)



Analysis includes PM_{2.5}, hydrocarbons and nitrogen oxides.

Source: GreenSTEP

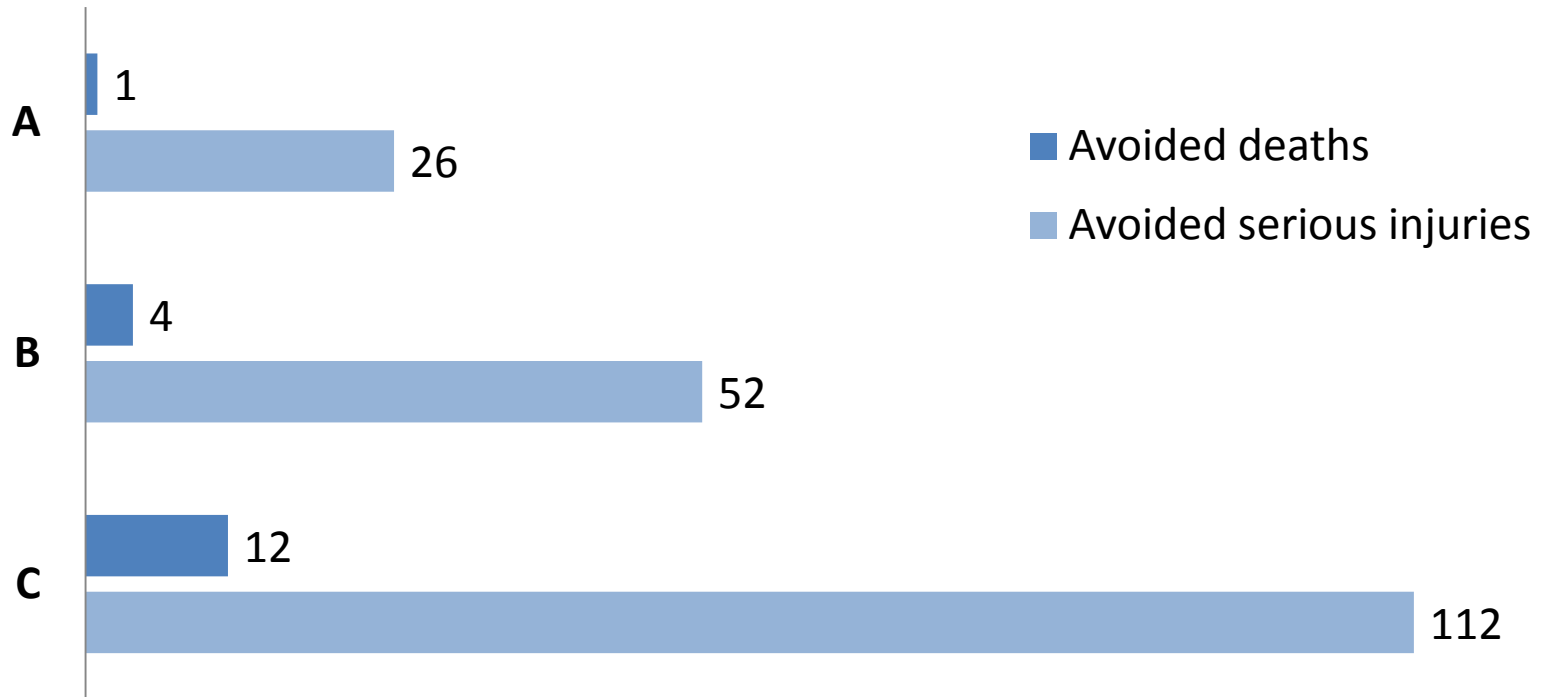
Investment helps increase physical activity



Source: GreenSTEP

Investment helps improve traffic safety

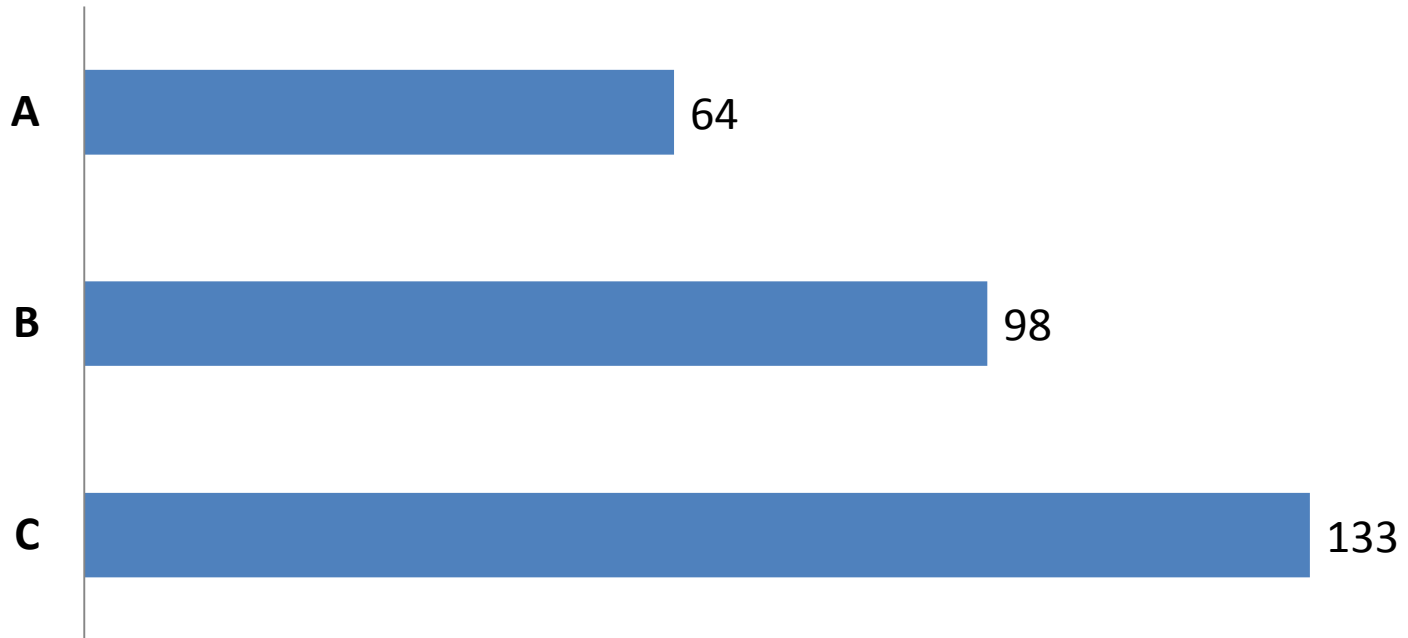
Traffic fatalities and serious injuries avoided per year by 2035



Source: ITHIM

Less air pollution, more physical activity & improved safety help save lives

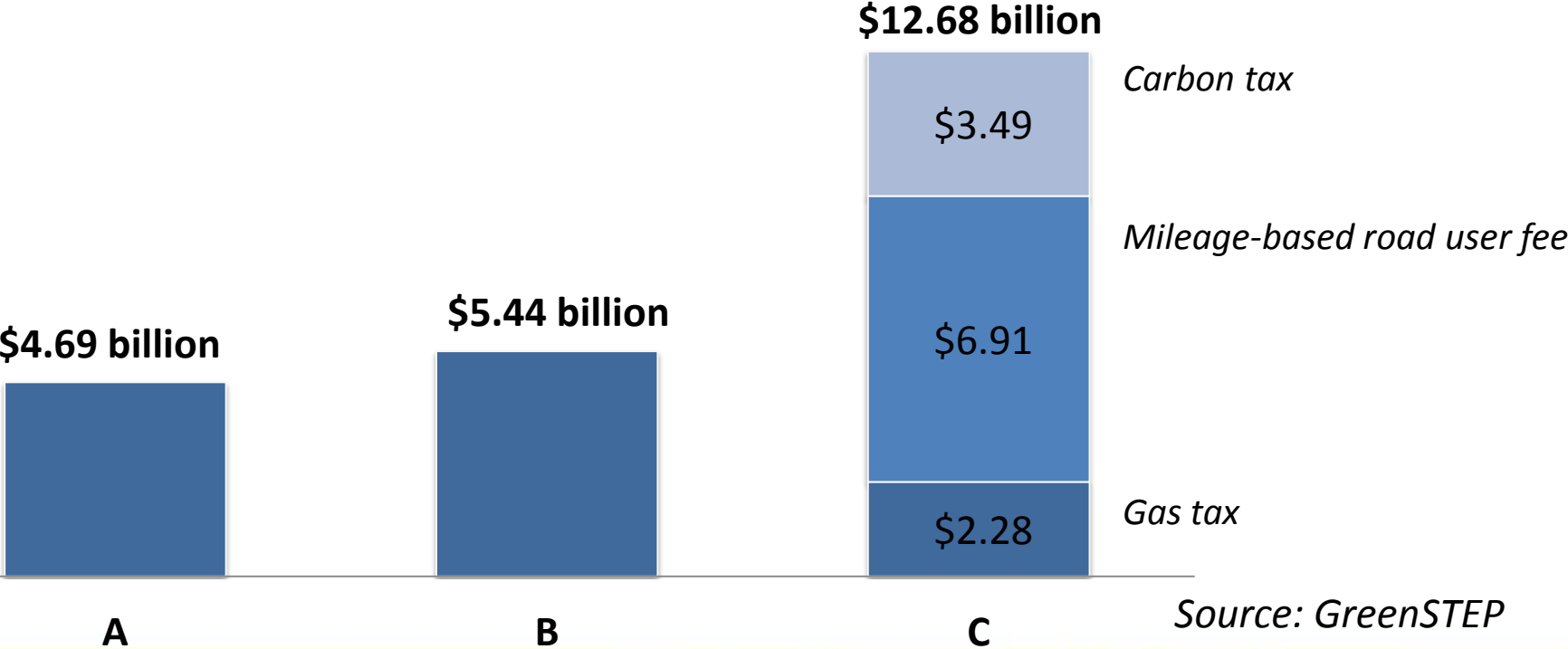
Lives saved each year by 2035



Source: ITHIM

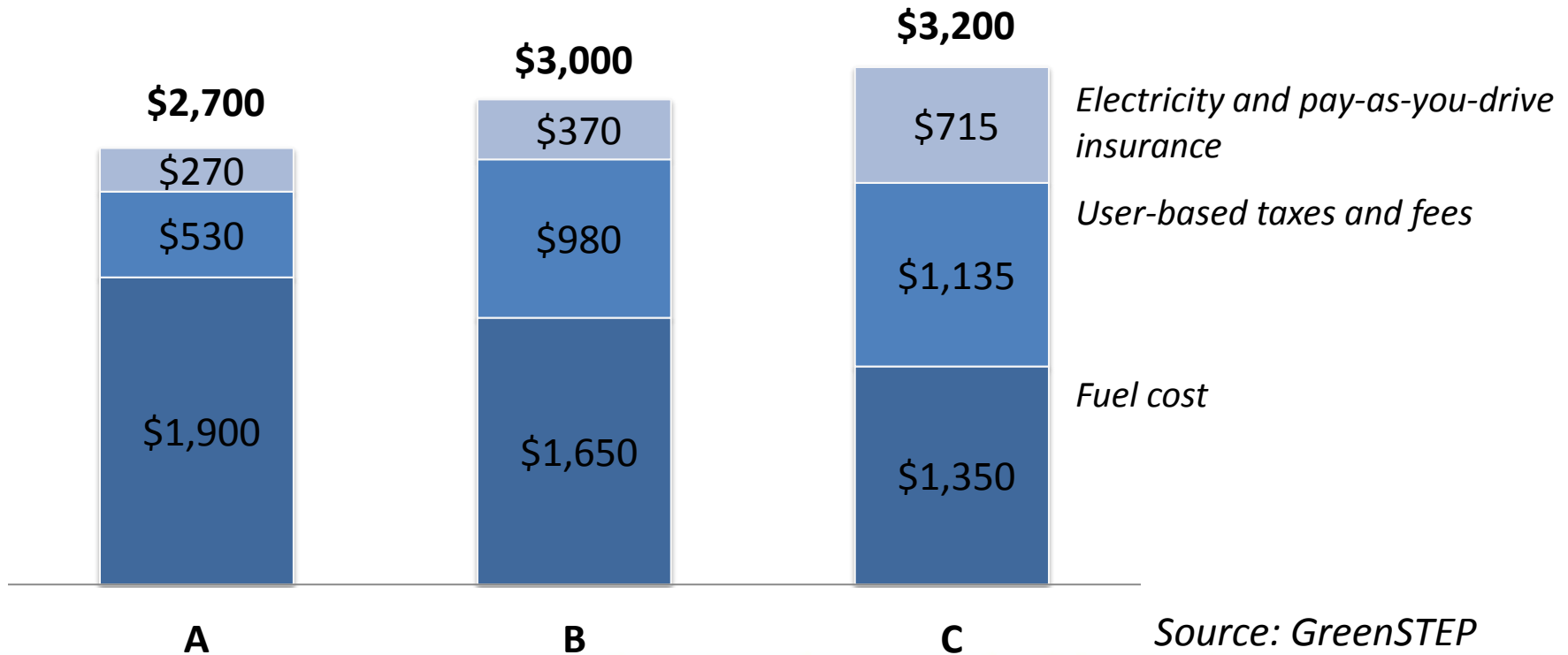
New fees and taxes provide potential revenue to pay for needed investments

Total revenues from user-based fees and taxes by 2035
(billions, 2005\$)



Vehicle operating costs increase due to new fees and taxes

Annual household vehicle operating costs
(2005\$)



Vehicle ownership costs decrease as households drive less & own fewer vehicles

Average annual household vehicle ownership costs

(2005\$)
\$5,100

\$5,500

\$4,200

A

B

C

Ownership costs include:

- *registration*
- *maintenance*
- *tires*
- *depreciation*
- *insurance (not including pay-as-you-drive insurance)*

Source: GreenSTEP

Overall vehicle-related travel costs decrease due to lower ownership costs

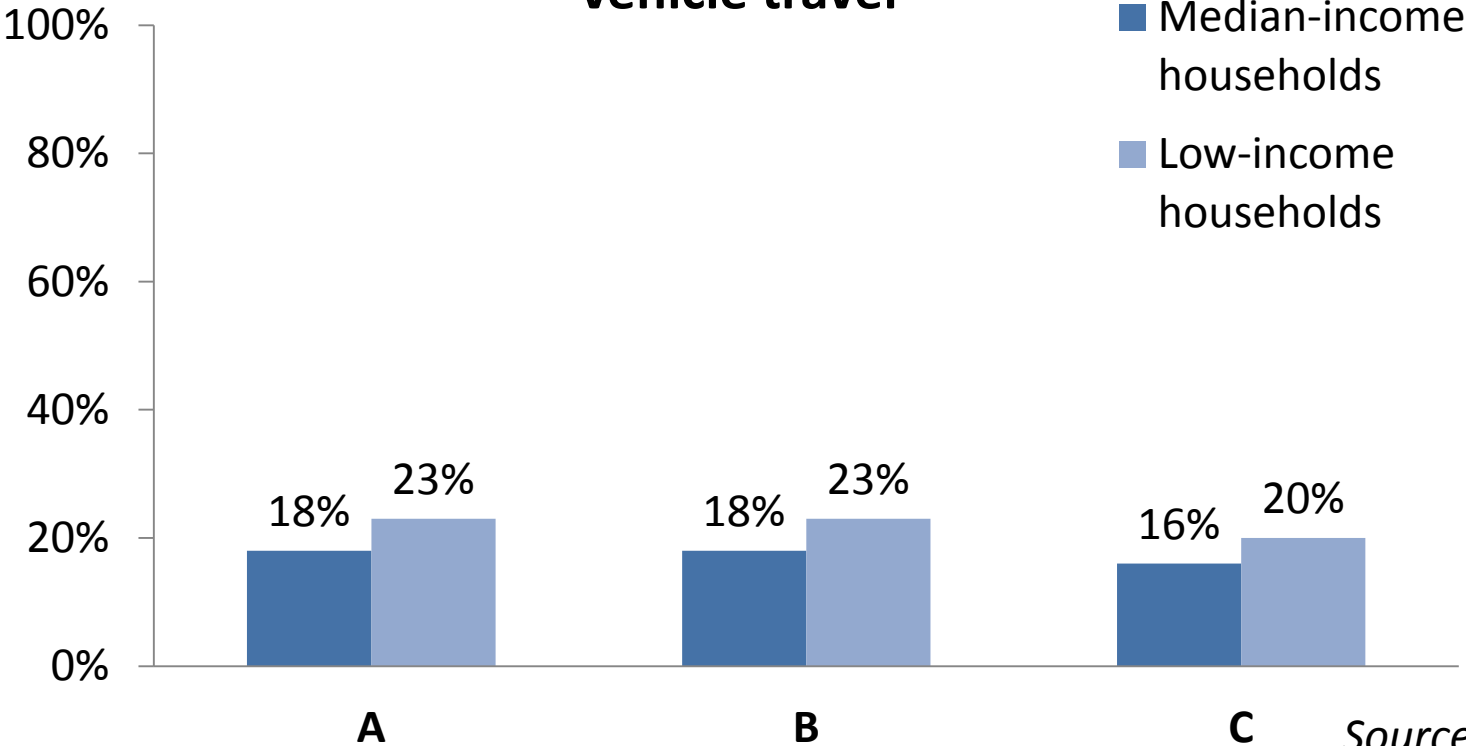
Average annual household vehicle ownership & operating costs
(2005\$)



Source: GreenSTEP

Lower vehicle travel costs help household budgets

Share of annual household income spent on vehicle travel



Source: GreenSTEP

2014: Shaping a preferred approach

JAN. TO MAY 2014

Discuss choices and tradeoffs to shape a draft preferred approach

MAY 2014

Council direction to staff on the draft preferred approach

JUNE TO AUGUST 2014

Staff completes final evaluation & prepares short-term implementation plan and adoption legislation

SEPT. TO DEC. 2014

Public comment period and Council considers final adoption of preferred approach

Policy areas recommended to carry forward to draft preferred approach

Step 1

Stay the
course

Implement the 2040 Growth Concept

Implement local zoning, comp plans & transportation system plans

Provide schools, services and shopping near homes

Manage UGB expansion

Make streets and highways more safe and reliable

Make it easy to walk and bike



Policy areas to confirm with the state & carry forward to draft preferred approach

Step 2

Confirm
with the
state

Transition to cleaner & low carbon fuels

Transition to low emission vehicles

Promote vehicle insurance paid by the miles driven



Policy areas recommended to be the focus of further discussion

Steps 3 and 4

Regional discussion	Make transit more convenient, frequent, accessible and affordable
	Provide information and use technology and “smarter” roads
	Manage parking with a market-responsive approach
Regional discussion	Identify potential funding mechanisms e.g. gas tax, carbon tax, road user fee based on miles driven





DISCUSSION





Education Center at the Oregon Zoo

Recommendation for Construction Management by General Contractor



January 7, 2014



OREGON
ZOO

Discussion Outcomes

- Procurement recommendation
- Construction complexities at zoo
- Construction management by general contractor benefits



Zoo Bond Projects



Construction Management/ General Contractor

- Professional services contract for pre-construction services
- Guaranteed Maximum Price negotiated for construction
- Selection is based on RFP evaluation

Risk Management

CM/GC Findings by Pinnell Busch:

Review and Analysis of CM/GC and Other Alternative Contracting Methods for the Oregon Zoo Bond Measure Program

“Involving a contractor during the design fosters teamwork that results in a better design, faster progress with fewer delays and less costs.”

Project Evaluation for CM/GC

- Cost
- Design/construction complexities
- Animal sensitivity
- Public interest/scrutiny
- Geologically complex site conditions
- Site access challenges
- MWESB participation
- Impact to visitors and operations
- Schedule and construction phasing

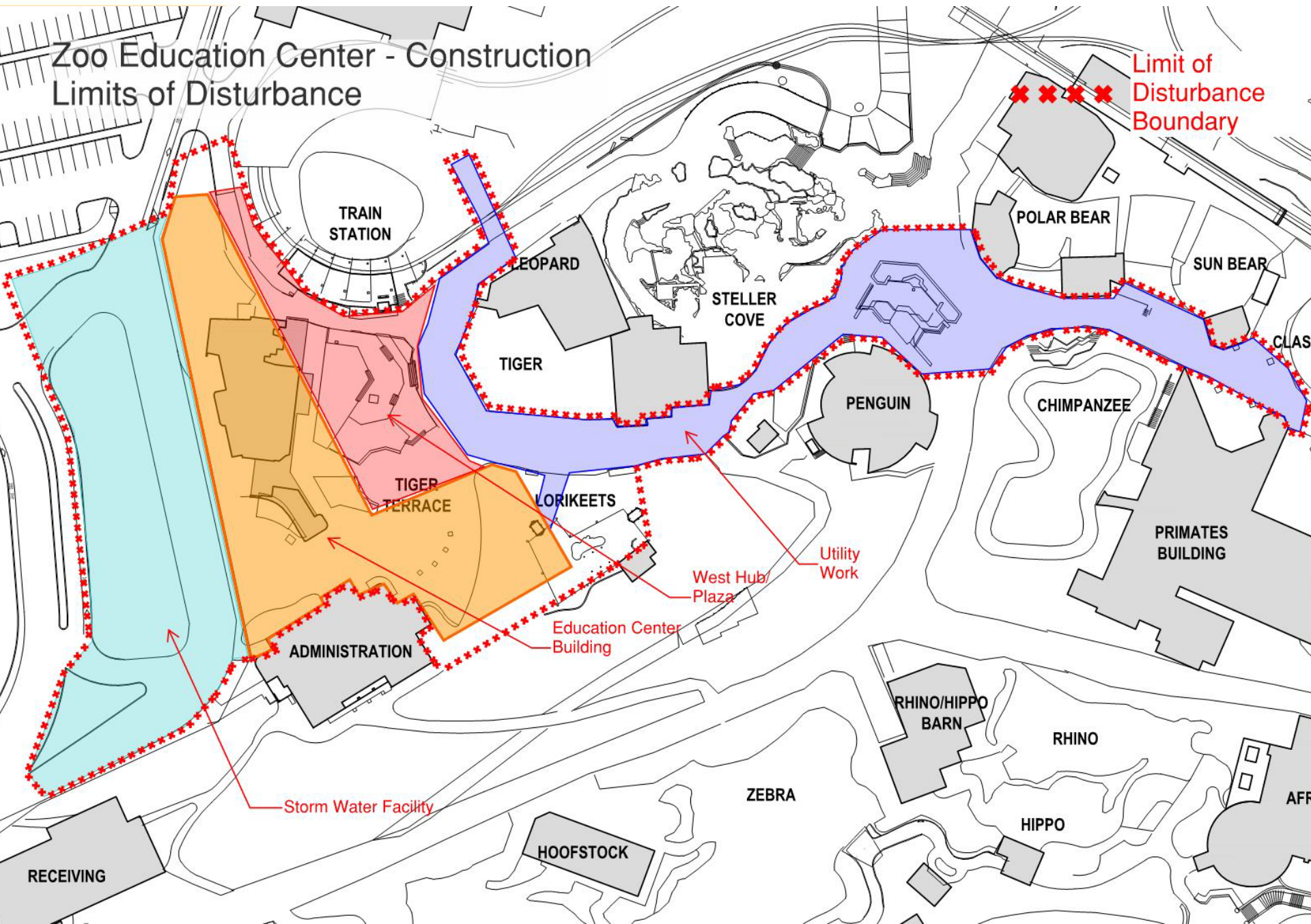


Schedule

- Four distinct areas of construction
- CM/GC provides option for phased construction to save time and money
- Minimize site impacts



Zoo Education Center - Construction Limits of Disturbance



Impact to Visitors & Operations

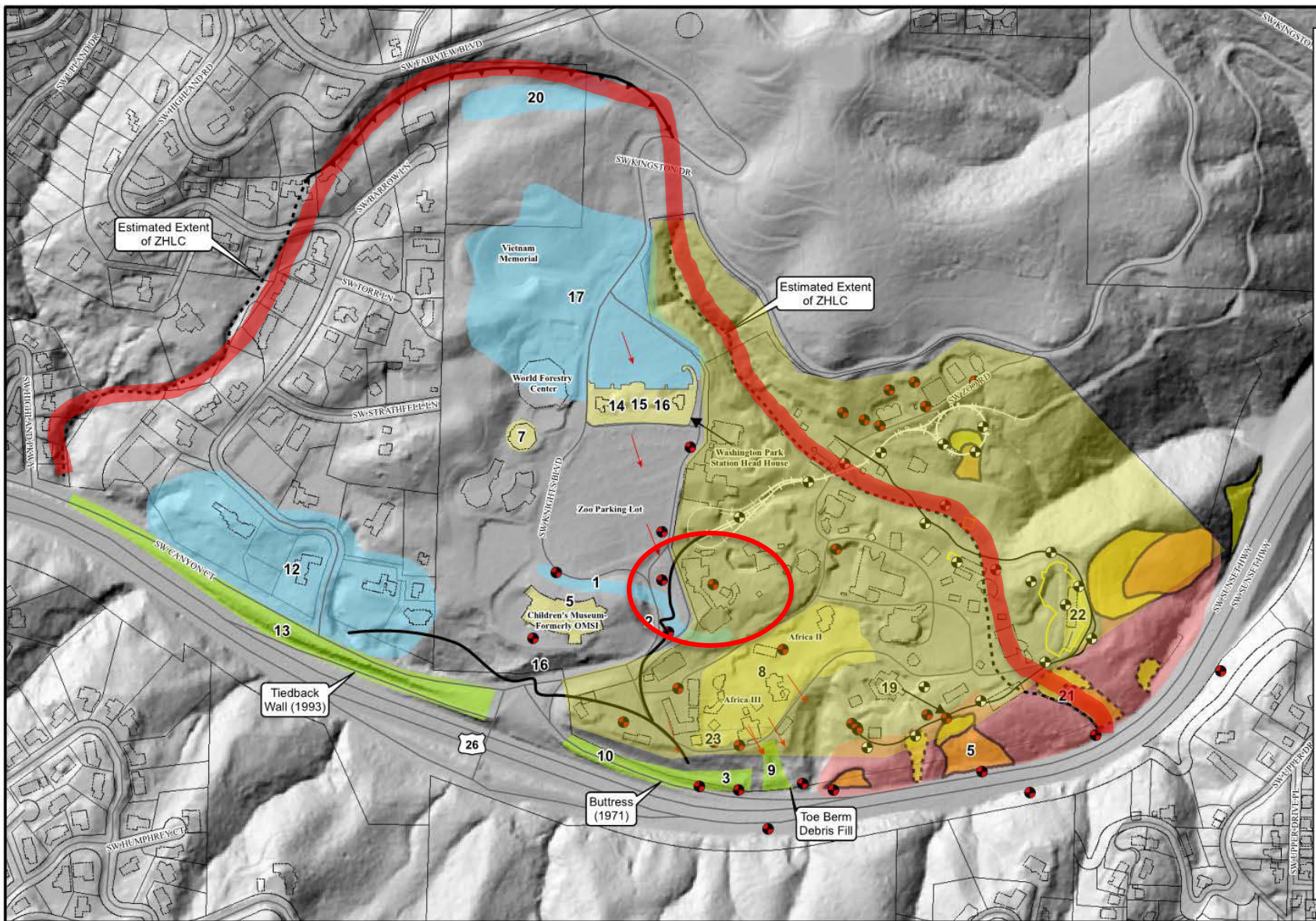
- Zoo visitor access will be impacted
- Project site access will present safety challenges
- CM/GC provides better coordination and phasing to limit impacts and risks



Geologically Complex Site

- Project site includes recorded land slides and incremental land movement
- CM/GC will allow the contractor the time to work with the design team to fully assess unique construction methods associated with the site





LEGEND

TEAM EXPERIENCE TYPE

- Stabilization
- Drainage
- Hazard
- Structures

- + 2012 Boring
- Historic Boring
- ↓ Instrumentation with Active Movement Vector - Refer to Project #23

LANDSLIDES

- Deposit, Active
- Deposit, Dormant
- Source, Active
- Source, Dormant

- Rail Relocated
- Proposed Service Road
- Zoo Highlands Landslide Complex (ZHLC) Slide Scarp

- Building Outline
- Taxlot Parcel

NOTE
Lidar obtained through the Department of Geologic and Mineral Industries.



MWESB Participation

- 15% MWESB participation goal
- CM/GC procurement offers opportunity to evaluate proposer's approach to MWESB outreach and partnerships



Competitive Bidding

- The CM/GC RFP will be formally advertised and available to all qualified general contractors
- Contract requires competitive bids from sub-contractors for all scopes of work

Recommendation

Staff recommends Council approval of CM/GC alternative procurement for the Education Center at the Oregon Zoo.



Questions?



A six week old African lion cub at Predators of the Serengeti. © Oregon Zoo / photo by Michael Durham.