



Oregon Zoo Bond
Citizens' Oversight
Committee Meeting
Sept. 18, 2019
Minutes

Oregon Zoo Bond Citizens' Oversight Committee

Oregon Zoo – Conservation Hall
Wednesday, Sept. 18, 2019
3 to 5 p.m.

MINUTES

MEMBERS PRESENT

Emma Stocker (Vice Chair)
Dan Aja
Laurel Brown
Heidi Goertzen
Javier Mena
Chin See Ming
Katherine A. Porras
Dick Stenson
Karen Weylandt

AFFILIATION

Emergency Management, Portland State University
Banfield Pet Hospital
Facilities and Property Management, Portland State University
Becker Capital Management
Portland Housing Bureau, City of Portland
Gilbert Levy Bennett
Meyer Memorial Trust
Retired healthcare executive; community volunteer
Retired from Providence Health & Services

MEMBERS ABSENT

Susan Hartnett (Chair)
Naomi Bishop
Daniel Hauser
Nan Heim
Jill Mellen
Robyn K. Pierce
Kevin Spellman
Christine L. Taylor

AFFILIATION

Spectator Venues, City of Portland
California State University, Northridge (professor *emerita*)
Oregon Center for Public Policy
Nan Heim Associates; Oregon Zoo Foundation Board of Directors
Research Biologist
Pierce, Bonyhadi & Associates
Spellman Consulting, Inc.
Miller Nash Graham & Dunn

GUESTS

None

AFFILIATION

ELECTED OFFICIALS AND STAFF

Shirley Craddick
Julie Fitzgerald
Caleb Ford
Kate Giraud
Sheri Horiszny
Sarah Keane
Jim Mitchell
Don Moore
Joel Morton
Linnea Nelson
Heidi Rahn
Marcia Sinclair

Metro Councilor
Oregon Zoo Foundation Executive Director
Metro Assistant Finance Director
Oregon Zoo Bond Project Manager
Deputy Director of Care, Connection and Conservation
Zoo Administration and Finance Director
Oregon Zoo Bond Construction Manager
Oregon Zoo Director
Metro Senior Attorney
Oregon Zoo Bond Program Coordinator
Metro Asset Management and Capital Planning Program Director
Oregon Zoo Marketing

A. Welcome / Introduction

Emma Stocker, Vice Chair of the Oregon Zoo Bond Citizens' Oversight Committee ("Oversight Committee" or "the Committee"), opened the meeting at 3:02 p.m., and members and guests introduced themselves. Chair Hartnett is out of town. Vice Chair Stocker reviewed absences and the resignation of Cynthia Haruyama in May due to health limitations. Heidi Rahn is now serving as Metro interim deputy chief operating officer while Andrew Scott serves as Interim COO. Metro is recruiting for a new COO and welcomes candidate referrals. Scott Cruickshank, Metro general manager of visitor venues, is the current director overseeing the zoo bond construction while Ms. Rahn serves in her interim role.

B. Approval of May 8, 2019, Oversight Committee meeting minutes

Since it had been four months since the May 8 meeting, Vice Chair Stocker reviewed some highlights. Members approved the minutes of the May 8, 2019, Oversight Committee meeting.

C. Monthly Project Updates

1. **Polar Passage/Primate Forest/Rhino Habitat (PPR)** – Construction manager Jim Mitchell reported on the construction progress to date, and displayed photos of the Polar Passage/Primate Forest/Rhino Habitat (PPR) project (included with the record). The project is going well and the bond team is keeping a close eye on costs. Despite receiving building permits, bond staff continue to have permitting challenges due to requirement changes at the City of Portland. As an example, for a simple submittal change of adding a window they are requiring that the bond staff substitute hundreds of pages in the 500-page drawing set. In the past this was only required on the primary page where the change is featured.

The project has run into some unsuitable soil at Polar Passage and Primate Forest, which will increase costs. The State of Oregon has a new gross receipts tax that will add an estimated \$300,000 cost to the project. The project has 10 percent contingency (based on the total project cost), which is adequate to cover these increases.

The team determined that the chimp moat wall will have to be raised higher than originally expected. In developing the plans, it was calculated how high chimps can jump, but not that they can jump 17 feet horizontally or at an angle. The team thought they would have to raise about 40 feet of the moat wall, but it turns out they may have to raise almost all of it. The Association of Zoos and Aquariums' recommendations for chimp habitats have not changed. The team had planned \$200,000 for this, but learned today that the existing moat wall is structurally unsound to support an extension and may need to have a whole new inside wall added at an estimated cost of \$650,000. Staff are looking at alternate solutions, and the team is carefully monitoring project change events.

Mr. Mitchell displayed a photo of the constructed rhino blind, and explained that rhinos do not like to be in front of large crowds of people, so the blind will allow visitors to see the rhinos without the rhinos seeing the visitors. The blind was built using an existing shelter, with a new wall and protective Plexiglas added. Near the blind, the habitat will have a timed feeder, a drinker, a mud wallow and place for keepers to drop treats for the rhinos. Members asked about whether noise from the visitors behind the blind would be an issue for the rhinos, but staff indicated that noise from behind the blind should not be an issue, and not much different than visitor noise in other areas of the habitat.

The concrete walls for the Polar Passage and Primate Forest projects are being precast in Harrisburg, Oregon. The creative design team worked to not have just gray concrete walls, and worked with an innovative company from the Netherlands to apply a liner on top the cast wall to make a pattern in the concrete. A release agent gets down to the next layer of concrete to create a pattern, so the pattern is permanent. The primate day room and some outside walls will have the patterns. Polar Passage walls will have patterns that look like cracked ice. The Interpretive package for Polar Passage focuses on the partnership among bears, zoo staff and the United States Geological Survey, and the habitat is designed to highlight the research and partnership component. Displays will include cast paws of Conrad and Tasul, polar bears formerly at the zoo who were essential to the research conducted.

2. **Percent-for-Art** – Project manager Kate Giraud gave an update on the commissioned artwork for PPR, created by the artist team of Edwin and Veronica Dam de Nogales. The cast aluminum sculptures of the Melting Ice Bear and two polar bear benches were safely shipped from Spain to Seattle, and trucked from there to the Expo Center for safe storage. Ms. Giraud displayed photos of the shipment arrival. Due to the height of the sculpture, the crate was open and allowed for the sculptures to be seen through the packing. Peggy Kendellen, public art manager with the Regional Arts and Culture Council, verified that the sculptures were in good condition. The artwork will be stored until approximately October 2020 when it will be installed at the zoo. The footings for the sculptures have already been planned in the design.

Councilor Shirley Craddick asked about transporting the artwork to the zoo. Bond staff will coordinate transport, and the artists will be on site for the installation. Dr. Don Moore noted the world-class potential for this artwork and suggested planning for media coverage. The zoo will develop a communications plan, and the artwork will be installed before the opening of Polar Passage.

One member asked about Nora, the young polar bear previously at the Oregon Zoo. She is now at the Hogle Zoo in Utah, recovering well from her leg injury and getting more access to the outdoors.

D. Program Status and Financial Information at a Glance

Sarah Keane, zoo finance and administration program director reviewed the **financial summary**. She reminded members that in February 2019 the Metro Council allocated all of the funds, with a \$800,000 contingency, \$600,000 of which is not bond funds (allowing more flexibility for spending).

Caleb Ford, Metro assistant finance director, reported on **interest earnings and arbitrage costs**. Metro sold bonds for the program at less than 1 percent interest rate. Compliance monitoring and a professional analysis determined that the Zoo Bond Program is required to rebate to the Internal Revenue Service interest earnings in excess of debt interest costs, for a total of approximately \$450,000. This payment is due based on program spending moving forward more slowly than anticipated and interest earnings being slightly higher than anticipated at more than 2 percent. Metro will be required to pay an estimated \$443,000 in arbitrage fees at the end of this fiscal year (June 2020). Interest earnings on bond proceeds should help offset the expense. Chin See Ming asked if it is a pure pass through situation. Mr. Ford said not exactly, since it will show as an expense, not a pass through.

Ms. Keane reviewed the [Oregon Zoo Bond Program Equity in Contracting Report, July 2019 Update](#) that includes data as of June 30, 2019. The report was sent to the Committee in late August and is

posted on the zoo website. An update report had not been issued since April 2018 because no new data was available until the subcontractor bidding and Guaranteed Maximum Price for Polar Passage/Primate Forest/Rhino Habitat was established in the spring of 2019. The new report includes some formatting improvements. The overall bond program has a COBID¹ utilization rate of 14.9 percent on construction contracts, and PPR has a utilization rate of 13 percent. The program has an aspirational goal of 15 percent for each construction project. The calculation is based on COBD-eligible construction dollars, with some specialty scopes that are not available from COBID firms being excluded. The utilization is based on contract amounts (not spending to date), so the numbers will not change much throughout the project. In the past when several projects were underway, an updated *Equity in Contracting* report was issued quarterly. The Committee will decide on the frequency at its next meeting in November. When the bond program is complete, the cumulative equity report will serve as a complete report on construction COBID utilization.

Heidi Rahn reported on **Construction Careers Pathways Project (C2P2)** that Metro is leading in working with 16 local government partners to diversify the construction workforce, and use public project dollars to create change. Last month the project finalized a framework, summarized in a handout provided to members (and included with the record). In the fall, the Metro Council will consider the framework for adoption. Then the project will move into the implementation phase. The Daily Journal of Commerce featured C2P2 today, and tomorrow Metro will receive an award from the DJC for leading the regional conversation on construction workforce diversity. The impetus for the C2P2 project came from two Metro committees – the zoo Oversight Committee and Metropolitan Exposition and Recreation Commission (MERC). Ms. Rahn thanked the Committee for its role in helping Metro effect change.

Vice Chair Stocker asked how Metro came up with the structure for C2P2. Metro was the first in the country to start on this at a regional level with a regional model. Some cities, such as Seattle, had done work on a municipal level. Metro started with a market study that provided data to drive the work. It is estimated that approximately 30 percent of the jurisdictions had something in place prior to this project, and all committed to work on it. They worked together on it for a year, and all consistently showed up. The power of the public dollars will hopefully help change the culture.

Vice Chair Stocker noted that the bond language does not have anything about equity, yet equity has become such a priority, that it will now be written into future bond measures. Councilor Craddick said that the Metro Council's equity strategy that has influenced all aspects of Metro was a driver for C2P2 as well. If anyone knows of any organizations that are not involved with C2P2 and want to be, let Ms. Rahn know.

Councilor Craddick asked if anyone is monitoring the agencies that are not in C2P2 now but may want to join the effort over time. Ms. Rahn indicated that C2P2 is monitoring that, and Multnomah and Clackamas counties are now interested. Councilor Craddick mentioned Tualatin/Clean Water Services as another potential agency to join.

The data from the program's *Regional Construction Workforce Market Study* is available on the C2P2 website at: <https://www.oregonmetro.gov/sites/default/files/2018/07/02/C2P2-regional-construction-workforce-market-study-07022018.pdf>

¹ COBID refers to minority-owned enterprises, women-owned enterprises, emerging small businesses, and service-disabled veteran-owned enterprises that are certified by the State of Oregon Certification Office of Business Inclusion and Diversity.

E. Program Schedule

Ms. Keane reviewed the program schedule. The Polar Passage/Primate Forest/Rhino Habitat project is on track, with no changes to the schedule. Primate Forest, Rhino Habitat and the Café plan to open in the fall of 2020. Polar Passage and the event space plan to open in the winter of 2021.

F. Committee Annual Report

At the May meeting, a subcommittee was formed to begin work this summer on the Committee's annual report for 2020. Vice Chair Stocker thanked those members who had met in June for the subcommittee: Susan Hartnett, Laurel Brown, Kevin Spellman, Naomi Bishop and Christine Taylor. (Katherine Porras and Daniel Hauser also volunteered, but could not attend that first meeting.)

They discussed the need to reduce redundancy, use more graphics, separate out recommendations from commendations, focus on lessons learned, provide an executive summary, and possibly add graphics to show the degree the projects meet the initiatives. Subcommittee members agreed to draft completed project reports and other historical report elements. The draft reports for the Condors, Penguin Filtration and the Water Main Building have been submitted. Chair Hartnett will review and edit the drafts, and the full Committee can discuss them at the next meeting Nov. 13. At that time, she will ask for final subcommittee volunteers to prepare the 2020 report.

Councilor Craddick reiterated the value of this committee in overseeing the managing of the bond funds. It creates public trust for future work. Ms. Rahn said it was also helpful as Metro launches other bond programs, and why the lessons learned in the annual report are so important. In November Metro will ask voters to renew funds for the Natural Areas bond.

G. Zoo and OZF Updates

Dr. Don Moore, Oregon Zoo director, gave an **update on the zoo**. He does not have any new updates on the unfortunate death at the zoo in the Rhino Habitat. KGW has submitted a public records request to Metro regarding it, and Metro will release more than 1000 pages. Metro has not gotten any more reports back from the police or medical examiner. Ms. Rahn noted that it has been difficult for the bond team and the full zoo team, and acknowledged they have responded with professionalism and compassion.

On Sept. 17, 2019, Ms. Keane and Dr. Moore delivered the zoo's draft *Strategic Plan 2020 – 2023* to the Metro Council. The plan is the zoo's guide for the next three years as it makes progress towards its mission to create a better future for wildlife. The main goals of the plan are to lead the way in animal care and welfare; deliver an inspiring guest experience (every time); drive wildlife conservation; create diverse, equitable and inclusive environments; achieve financial sustainability; elevate the staff experience; and connect with our communities. His zoo update included reports in several of the goal areas.

At the Association of Zoos and Aquariums annual conference last week in New Orleans the Oregon Zoo earned three prestigious AZA awards – one for design innovation at the zoo's new Education Center, one for conservation work on behalf of imperiled Northwest butterflies and a third recognizing achievement in workforce and audience diversity. These awards are some of the highest distinctions in the zoo world and represent the respect of zoo peers from around the country. The awards also reinforce the goals of the Oregon Zoo's strategic plan.

The zoo worked with partners for wildlife conservation to restore populations of imperiled native species: Eight California condor chicks were hatched this year, and seven adult birds hatched earlier at the zoo's offsite center were sent out this month to wild release sites in California and Arizona; raised and released more than 2000 Oregon silverspot and Taylor's checkerspot butterflies; and released 237 Northern leopard frogs from a pilot recovery program launched with Washington's Department of Fish and Wildlife.

The zoo co-created a Pacific lamprey habitat with Native American tribes, and some tribes will participate in the grand opening cultural celebration at World Rivers Day at the zoo on Sunday, Sept. 29. The zoo is leading the way in talking about lamprey care and habitat, and its interpretives talk about the importance of lamprey to Native American culture. The zoo sponsored two Staff Conservation Action Trips (SCATs) this winter, and 100 staff participated in planting lamprey habitat. This fall another SCAT is planned to cleanup plastics on the coast and along rivers, and the collected plastic will be contributed to *Washed Ashore* sculptures made of plastics collected from the ocean that will be exhibited at the Oregon Zoo in 2020.

Sarah Keane has been leading an innovation process improvement program that has been successfully implemented at the zoo and Metro, increasing efficiencies and saving significant dollars. The bond team has also excelled at innovation and saving money.

The zoo is now a certified KultureCity site to make its grounds and all its programs and events sensory-inclusive. The new initiative aims to promote an accommodating and positive experience for all guests with sensory issues. The zoo now makes available sensory kits for visitors, equipped with noise canceling headphones, fidget tools, verbal cue cards and weighted lap pads. Sensory sensitivities or challenges with sensory regulation are often experienced by people with autism, dementia, PTSD and other similar conditions. One of the major barriers for these individuals is sensitivity to overstimulation and noise. With its new certification through the nonprofit, the zoo is now better prepared to help guests with sensory sensitivities have the most comfortable and accommodating experience possible. The zoo's sensory inclusion initiative was recently featured in a local magazine.

Julie Fitzgerald, **Oregon Zoo Foundation (OZF)** executive director, gave an update. OZF is in year three of its \$8.5 million campaign for the zoo, and to date has raised approximately 75 percent of that goal, and also 75 percent of the \$3.5 million portion of that goal designated for the zoo bond habitats. OZF just got a new \$300,000 commitment for Primate Forest. Jim Mitchell and Kate Giraud took the potential donors on a tour of the construction of Polar Passage and Primates, and that helped lead to the donors deciding to contribute.

The fundraising program is also working to build the constituency for the future as well. Zoo volunteers are one of those constituencies, so OZF is hosting a Preview and Pie Party just for volunteers to see the new habitats, and talk about ways they can provide support in volunteering and fundraising. Volunteers are also setting their own goal to raise and contribute \$50,000 to the campaign toward supporting the \$3.5 million for the zoo bond projects.

Recently the OZF Advocacy Committee hosted its second tour of the zoo for elected officials. Councilor Craddick was impressed with the 54 people on the tour. OZF is leading a tour October 17 to 23, 2019, to Churchill, Canada – the Arctic tundra -- to see polar bears, and two spots are available.

H. Open Discussion/Questions

Dr. Dan Aja asked if there was any change with condors in the wild ingesting heavy metals. Ms. Horiszny responded: Since 2005, 65 chicks hatched at the zoo's off-site facility have been released to the wild, and 22 of those are now dead. Losing one in three is not really out of line in a reintroduction program. Out of those 22, only two were confirmed to be from lead poisoning. More were taken by predation –three birds. Other reasons for death included parasites or disease, interaction with energy-related equipment (transmission lines, windmills, etc.) and six from unknown causes. Some energy companies are looking at contributing to the condor program as part of their mitigation for trauma to birds from their equipment. The Oregon Zoo Foundation recently received a \$50,000 contribution for the zoo's offsite condor breeding program. The condors in the wild are still a high-maintenance population.

I. Adjournment

Vice Chair Stocker adjourned the meeting at 4:13 p.m.

Upcoming meeting dates – Wednesdays, 3 to 5 p.m. in Conservation Hall, Education Center, Oregon Zoo

Nov. 13, 2019

Feb. 12, 2020

May 13, 2020

Sept. 9, 2020

Nov. 18, 2020* ***Change in schedule to 3rd Wednesday due to holiday**