



PORTLAND PARKS & RECREATION

Healthy Parks, Healthy Portland

Parks Replacement Bond Community Oversight Committee

MEETING #4: April 29, 2016

PURPOSE:

- To review the outline for PP&R’s first Annual Report
- To monitor bond progress and identify any developing trends
- To establish the Committee’s approach to reviewing first year performance

AGENDA

8:30 AM	Welcome & review of today’s purpose	Dion Jordan
8:32 AM	Welcome & introductory remarks	Mike Abbaté
8:35 AM	First annual report outline	Mary Anne Cassin
8:40 AM	Status report on projects	Robin Laughlin
9:15 AM	Status report on public involvement	Maija Spencer
9:30 AM	How does the committee move forward? - <i>Annual Report sub-committee (Zari & Karen) report</i> - <i>Introduce Megan</i> - <i>What initial instructions does the committee want to share?</i> - <i>What performance metrics do we care about?</i>	Dion / all
10:00 AM	Committee general questions	Committee
10:10 AM	Committee needs (how can PP&R assist)	Committee
10:15 AM	Meeting wrap-up & next steps	Dion / Mike / Mary Anne
10:30 AM	Adjourn	

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IN ATTENDANCE

Oversight Committee (OC) Members

- Dion Jordan, Karen Loper Tracy, Don Grotting, Zari Santner

Parks & Recreation Staff

- Mike Abbaté, Mary Anne Cassin, Robin Laughlin, Maija Spencer, Jack Kostylo

Other Attendees

- Megan George, PSU Public Administration Master's Program

TIMEKEEPING

- The meeting began at 8:30am
- The meeting was adjourned at 10:21am

DISCUSSION

8:30 AM Welcome & review of today's purpose

Dion Jordan

- Dion briefly discussed the meeting agenda

8:32 AM Welcome & introductory remarks

Mike Abbaté

- Mike provided bureau news and personnel updates
 - The Oversight Committee (OC) page gets the most hits on the Bond website
 - PP&R is in a transitional period with roughly thirty senior positions opening
 - Mary Anne will be retiring on July 28th
 - Robin Laughlin will be providing support during this time
 - Mike would like at least one OC member on the interview panel for the new Bond Program Manager
 - Mike is happy to meet outside the meeting to discuss Bond project further

8:35 AM First annual report outline

Mary Anne Cassin

- Mary Anne clarified portions of the outline
 - The highlighted sections will be condensed for the widely-distributed version
 - The report will be fact-based with some human interest stories
 - The OC may email feedback on the outline over the next two weeks
- The OC provided feedback on the outline
 - Karen felt it was thorough
 - Zari and Karen would like clarification on the 'Second Bond List' title
 - Is it talking about the second issuance of the first bond or a second bond?
 - Mary Anne will change it to specify "second issuance"
 - Dion would like the challenges section to include plans-of-action
 - Mike would like a couple of these challenges included in the condensed version
 - Karen is concerned that the OC's report may not complement the condensed, widely-distributed version as their report will largely address budget management

- Mary Anne clarified that both version will be posted online, but only the condensed version will be widely printed
- Mary Anne reviewed an Overhead Analysis Example from the Portland Zoo
 - If the OC likes this system, the Bond Team will mimic it
 - Zari supports this reporting style and would like the public to understand overhead

8:40 AM

Status report on projects

Robin Laughlin

- There are currently 26 active projects with four more starting soon and one in April 2017
 - This will mark all the Phase 1 projects being underway
 - The schedule for Glenwood Park's restroom has been pushed back (the only new one to fall back) and is now grouped with the Bloomington Park restroom project
 - Projects are generally ahead of schedule and Bond Team coordination is going well
- Robin gave an overview of the budget
 - Staff costs are running under the anticipated amount
 - PTE costs continue to be higher than estimated
 - Construction costs are higher than estimated, as previously reported
 - Still only Grant Pool is currently in construction
- The Bond Team has developed a budget tracking tool
 - This will help address requests to add scope
 - It tracks spending across individual projects and across Bond themes
 - Data is updated monthly
 - The project variance section illustrates the difference between Bond Team's base budget remaining and their contingency
 - The total remaining funds are currently low because many projects are too early into design to release their contingencies
 - Zari would like the chart to be clearer in illustrating the remaining funds and contingencies withheld
 - A glossary will be provided when used for external reporting
 - Karen expects the OC's report to respond heavily to this summary
 - This tool will be used to show project budget trends
 - These trends will be included in the annual report
 - Zari feels the OC and Council would appreciate a report on trending as well
 - Even incomplete, a report would promote transparency
 - Kia shared that non-Bond project data can be used to establish trends
 - Construction costs are increasing significantly, and that is part of why the Bond contingencies are so high
- Kia noted that criticism has been received over the contingency budgets, particularly when contingencies are in place going into construction

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- It is important to note that those contingencies are in place for good reason and all the Bond funds will be used on Bond projects
- Robin shared MWESB utilization numbers for professional services contracts:
 - Total percentage to MWESB: 32%
 - Total percentage to MBE: 10%
 - Total percentage to WBE: 7%
 - Total percentage to ESB: 15%
- We have contracted the MWESB outreach firm, NAMCO, to help develop and execute strategies that promote MWESB utilization, especially for construction projects
 - An outreach event was recently held, and the Bond Team is confident about an increase in utilization
- A blanket insurance waiver based on profession has been created. This will help remove a barrier to increased MWESB utilization
 - Risk Management, the City Attorney's Office, and Mike support it
- Robin shared some challenges
 - Staff limitations in Procurement have created delays
 - Advance notice of upcoming projects has helped minimize these delays
 - Increasing public involvement and engagement has been very important
 - Maija will be sharing more about this later
 - A recent media outreach event occurred for Grant Pool
 - The Bond Team shared that while there will be a delay, Grant Pool will be open for the hottest parts of summer
 - The systems would have likely failed this year. PPR would have had to close the pool mid-season
 - It was a very successful outreach event with good media coverage and community complaints about a delayed opening stopped after the coverage
 - Regulatory issues such as permitting are small challenges that the team is addressing well
 - The construction climate has left contractors busy and has increased bid costs
 - North Park Blocks has an expansion concern
 - Early outreach materials for the Bond indicated that North Park Blocks playground would be expanded
 - After further research, it was determined that renovation would occur, but expansion was expensive and, in an effort to control overall costs, PPR managers requested that the project proceed without the expansion
 - Jordan Palmeri, a parent from an adjacent charter school, expressed concern that the Bond Team was deviating from their initial promise to expand
 - At his request, Robin shared his email with the OC
 - Mr. Palmeri and Robin have been corresponding frequently
 - An expansion of 850sqft, the most possible given tree positioning, would add roughly \$100K to the cost
 - Not expanding stays within the base allocated budget
 - Expansion is within the contingency's budget

- Karen asked about community fundraising and expanding later
 - Emerson is a charter school
 - Housing trends in that area do not indicate a growth in the percentage of young children
 - Could these funds be better spent elsewhere?
- Zari feels costs of construction have been very high, and that justifies not expanding
 - There is a slippery slope concern, especially this early in the Bond program when money is still very tight
 - It is not clear that a playground expansion would necessarily bring more families in
 - Having the expansion as an add-alternate may be a good step
- Mike clarified that public response so far has been for more running room which requires more space
 - No play equipment is being added
 - Surfacing, accommodating the trees, and moving the fence accounts for much of the cost
 - The public is being asked to prioritize their needs if funding allows
 - Parks will be making the final decision
- Robin shared a few project highlights
 - Grant Pool construction is underway
 - Lents Playground will begin construction this fall and be complete in spring 2017
 - Six more construction projects will go out to bid this summer

9:15 AM

Status report on public involvement

Maija Spencer

- Since the last meeting, there have been open houses for the Couch Park and North Park Blocks playgrounds, Washington Park Rose Garden ADA improvements, and Rieke Soccer Field
 - There was also a kick-off meeting for Colonel Summers loo and splash pad, a neighborhood association meeting for Argay tennis courts, and PAC meetings for Pioneer Courthouse Square
- Maija shared the demographics data of our public feedback
 - Survey demographics have mostly matched those of the Portland population
- Maija talked about the Couch Park playground design process
 - Elm trees in the play area had become an issue
 - They are poorly positioned, are in decline, and would both need to be removed if one is removed
 - There was initial support to remove the trees
 - A separate petition began in support of keeping the elm trees

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- An article was published weighing ADA improvements against maintaining the trees. This caused great consternation with our partners who are trying to raise funds
- Further investigation revealed that the trees are no worse than the visual survey indicated but stressed
 - Some structural concerns can be improved with cabling
- A decision was made by Parks Senior Management Team to keep the elms
 - Zari had heard about this situation in the public and is glad that Mike decided to keep the trees given the updated information
- A root survey has been done to determine the actual scope of the root zone
- Sandra, the project manager, will be meeting with GreenWorks, the design firm, to adjust the design according to the data
- Mike noted that this approach speaks to Parks strategy in addressing a densely populated area
 - When possible, Parks tries to accommodate both the need for play and the need for natural spaces rather than choosing one over the other
- Maija shared upcoming events
 - Open Houses & Meetings
 - Colonel Summers Loo & Splash Pad
 - Friends & Partners Event to inform about 2nd List Process
 - Forest Park Bridges
 - Pioneer Courthouse Square
 - Rieke Field
 - Tabor Yard
 - Ventura Park Playground
 - Construction Communications
 - Lents Park Playground
 - Matt Dishman Pool & Spa
 - Parklane & Wilkes Loo
 - Sellwood Pool Roof
 - St. John's Community Center Roof & HVAC
- Karen does not feel the OC should be directly involved in public involvement
 - The OC is primarily concerned with budget allocation
 - Scope creep is one of few areas where the OC touches public involvement
 - They feel that scope creep is a slippery slope that can easily lead to over-spending

9:30 AM

How does the committee move forward?

Dion / all

- Hiring Jason Smith to help with reporting is not an option due to his current workload
 - Zari instead found Megan George who will help develop the report
 - Megan is in PSU's Public Administration master's program and came highly recommended by the associate director at the Center for Public Service
- The OC agreed that the annual report outline is sufficient for the OC to move forward in drafting their own outline
 - Zari, Karen, and Megan will take the annual report outline and discuss the OC's report

- Reporting metrics will be developed at this time
- A draft of the Bond Annual Report and an outline from the OC will be available in June
 - The June meeting should have significant time allotted for review
- Zari would like us to plan ahead of the auditors and anticipate their needs
- The Bond Team will be reporting to Council in July
 - Mike feels that providing space between the Bond Team's report and the OC's report will allow the OC to establish itself as a separate entity
 - This delay will also allow the OC to analyze the Bond Team's report further

10:00 AM

Committee general questions

Committee

- Dion asked if we foresee cutting scope in any of our other projects
 - Ed Benedict is set to receive an additional restroom, but it already has two
 - A general discussion will be had regarding how best to approach this
- Mike discussed North Park Blocks budgeting further with the OC
 - In cases where the scope comes in above budget, either scope is cut or contingencies are used
 - If scope is cut, then the contingency can be spread across other projects
 - Mike would like the OC's general reaction regarding how to weigh this reality
 - Zari feels it is Parks' responsibility that the scope is satisfied, even if it uses the contingency
 - Mike and the OC agree that when a project is scoped over budget and over contingency, then scope should be cut
 - In the case where borrowing from other projects has to occur, Karen and Don feel that funds should be taken equally from each other project
 - The first bond measure had a contingency that was not connected to any one project
 - There is no program contingency for this bond measure
 - The fiscal policy of the Bond Program dictates that each theme's total budget stay within that theme. Projects within the same theme area are tapped first to make up for shortages.
 - This is complicated by themes, such as Pools, whose projects may all come in over budget. It is also further complicated by the fact that there are very few projects in some theme areas. Pools has only three; Accessibility has only one.
 - While there is no program contingency, there are \$20M set aside for the development of the second list
 - Mike added that this acts as a kind of safety net, but the Bond team does not plan to use it in this way

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- Zari feels we should explicitly include a program contingency as part of the second issuance list, especially considering increased construction costs
 - The OC would feel comfortable supporting a program contingency if that appears to be the best fiscal approach for the second list

10:15 AM Meeting wrap-up & next steps

Dion / Mike / Mary Anne

- Karen will organize an additional meeting between herself and Zari and send the information to Jack to maintain transparency
 - Jack will send the optional invitation out to the rest of the OC
- The OC would like a significant portion of the June meeting budgeted for responding to the Bond Team's report and discussing the OC's outline
 - The remaining time can be used to provide project updates and otherwise
- The next meeting will be held on June 17th at 8:30am
 - Changing locations and not seeing a project site are both okay with the OC
 - Don offered the David Douglas Admin building as a standing option
- Don is concerned that the public is not aware that these OC meetings are open
 - Zari feels we have been very transparent in notifying them

10:30 AM Adjourn

- The meeting adjourned at 10:21am