



Meeting Minutes

05/16/2013 - Meeting of the Bond Oversight Committee

Tualatin Hills Park & Recreation District

15707 SW Walker Rd, Beaverton, OR 97006
503/645-6433

The fifteenth meeting of the Tualatin Hills Park & Recreation District Bond Oversight Committee was held at the HMT Recreation Complex, Peg Ogilbee Dryland Training Center, 15707 SW Walker Road, Beaverton, on Thursday, May 16, 2013, beginning at 6:00 p.m.

Present:

Committee Members:

Marc San Soucie, Chair
Frank Angelo
Wink Brooks
Rob Drake
Boyd Leonard
Kahler Martinson
Rob Massar
Matthew McKean
Anthony Mills
Stephen Pearson
Sue Rimkeit

Ex-Officio Members:

Bob Scott, Board of Directors
Keith Hobson, Director of Business & Facilities
Hal Bergsma, Director of Planning

THPRD Staff:

Bruce Barbarasch
Cathy Brucker
Dave Chrisman
Kathy Griffith
Steve Gulgren
Nicole Paulsen

Absent:

Committee Members:

Jack Platten

Agenda Item #1- Opening Comments

- Marc San Soucie, Chair, called the meeting to order at 6:00 p.m.

Agenda Item #2-Self-Introductions

- Marc San Soucie, Chair, asked committee members to give a quick introduction of themselves.
 - ✓ ***Marc San Soucie: Beaverton City Council Member; Committee Chair***
 - ✓ ***Matthew McKean: Attorney***
 - ✓ ***Boyd Leonard: Retired US Forest Service with a discipline in budget***
 - ✓ ***Rob Massar: Assistant Planning Administrator, Washington County***
 - ✓ ***Frank Angelo: Resident of Washington County, Planner***
 - ✓ ***Rob Drake: Former Mayor of Beaverton, City Manager for City of Cornelius***
 - ✓ ***Wink Brooks: Former Hillsboro Planning Director***
 - ✓ ***Anthony Mills: Associate Director Tualatin Soil and Water Conservation District, THPRD Budget Committee Member***

- ✓ *Stephen Pearson: THPRD Budget Committee Member*
- ✓ *Sue Rimkeit: Retired Beaverton School District*
- ✓ *Kahler Martinson: Retired US Fish and Wildlife*

Agenda Item #3- 1st Opportunity for Audience Comments

- No audience members were in attendance

Agenda Item #4-Approve Minutes of the February 21, 2013 Committee Meeting

- Marc San Soucie, Chair, called for a motion to approve Agenda Item #4, Minutes from February 21, 2013 Committee meeting.
 - *All in favor*

Agenda Item #5-Financial Report (including exceptions)

- Keith Hobson, Director of Business & Facilities, summarized revisions made to the report. Highlights included identifying overages and savings in project categories as well as a general report on overall bond estimates.
 - ✓ The overall cost estimate for the Neighborhood Park Redevelopment category previously showed an overage of \$415,000. Due to cost increases identified in the design scope at Somerset West Park, and cost increases identified through construction documentation at Vista Brook Park the projected overage is now \$933, 000.
 - ✓ The Trails Development category has an estimated overage of \$822,000 due to the elimination of projected savings on the Westside Trail project.
 - ✓ The Deferred Maintenance projects budget overage increased by \$40,000 due to final construction drawings of the Sunset Pervious Pavement project. The Board of Director's approval of the Sunset Pervious Pavement project marks the first time an awarded bid will drive the category over-budget.
 - ✓ The overall bond cost estimate is approximately \$2.2 million dollars under-budget
 - *Marc San Soucie, Chair, asked for an explanation of the nomenclature in the Project Code column of New Neighborhood Park Land Acquisition.*
 - *Keith explained the original budget line item was for the acquisition of one park. Due to lower than expected costs per acre, two sites were able to be acquired. The financial report has separated the original one line budget item into two in order to represent both purchases.*
- Keith distributed a matrix document identifying projected savings by category and which categories the savings are potentially eligible to be transferred to. Keith explained if there was an overage in a category he pulled funding from the next eligible category with a savings to offset the overage. He continued that process throughout the categories of the bond program until there were no longer any eligible savings to offset the overage. After completing this exercise the projected estimate showed a net \$776,000 shortfall in the unrestricted categories.
- Keith then distributed an alternate version of the spreadsheet using a portion of the savings from the structural upgrade category to offset the shortfall. The seismic rehabilitation category had \$5 million of funding with \$14 million of need, therefore it was decided that any savings from the seismic projects would remain with in the category to help complete

additional items from the list. However, Boyd Leonard correctly pointed out that the two projects at the Sunset Swim Center were over and above the \$5 million and therefore the savings on those projects would not be subject to the restrictions applying the funds to the remaining \$14 million dollar need. Keith noted the savings from the two Sunset Swim Center projects would reduce the overall shortage of \$776,000 to \$140,000. Keith noted there are still bids coming in on construction projects in other categories, and although the bids result in the projects being over-budget, it is less of an overage than what was reported in the previous financial report which will also help mitigate the \$776,000.

- ***Stephen Pearson asked if scope changes have been looked at with projects that are still in the design phase to pro-actively reduce budget overage***
 - *Keith responded noting that actions have been taken to defer one segment of a trail in the Trails & Linear Park category until other trail projects are closer to completion*
- ***Sue Rimkeit asked if the interest on the bonds help funding.***
 - *Keith noted the interest rates are so low that it helps a little but not much.*
- ***Marc San Soucie asked if the THPRD Board of Directors would be discussing whether or not to continue to dedicate funds to its respective category or if they could be applied to other categories with overages.***
 - *Bob Scott, THPRD Board of Director, would like a recommendation from the committee prior to the Board of Director's making a decision.*
 - *Marc would like direction from THPRD staff of when they need to hear a formal recommendation from the Committee.*
 - *Keith explained the intention to use the savings from the Facility and Rehabilitation category of \$178,000 and the Bond Administrative & Issuance Cost category for \$58,000 to offset the \$236,000 overage of the Maintenance Replacement Category due to the Sunset Previous Paving bid that will be presented at the March 2013 THPRD Board of Directors meeting. Keith asked if there are concerns as this will be the recommendation to the Board of Directors.*
- ***Stephen Pearson suggested the discussion regarding transferring money from a land acquisition category to a construction category be a topic at the next meeting.***
 - *Rob Drake would like to hear from Bob Scott, on behalf of the Board of Directors, regarding the temperament of the Board on transferring funds.*
 - *Anthony Mills asked if the overages are due to increasing costs from the economy getting better.*
 - *Steve Gulgren, Superintendent of Planning & Development, stated many of the overages are due to land use and jurisdictional issues which drive up the consultant and design fees. Steve also noted the project budgets for neighborhood parks have the same budget even though the level of development and costs may be drastically different.*
 - *Hal Bergsma, Director of Planning, added that controversy in projects drive up the design and cost in order to get through the permitting processes.*
 - *Keith also noted the project budget identifies permitting costs on a percentage of the overall budget. However, jurisdictions have a flat rate for permitting regardless of the size of the project. As such this places pressure on the budgets of smaller projects.*
- ***Marc asked if the use of outside funds would be available to help offset overages.***

- *Bob Scott noted the Board of Directors would make that decision while Keith added that the funding from other accounts such as SDCs are usually allocated when the scope of the project has expanded beyond what is listed in the bond literature.*

Agenda Item #6- Progress Timeline (including milestones and exceptions)

- Steve Gulgren, Superintendent of Planning & Development, gave an overview of bond projects as well as upcoming project movement.
 - ✓ Staff is working to approve a new contractor for the Westside Trail.
 - ✓ The North Bethany Trail Segment 2 project is currently suspended due to land use issues, additional engineering and design costs which put the project over-budget. A decision will be made on the construction of the project once the larger trail projects are completed.
 - ✓ The bidding climate has changed from the previous year. Last year projects saw 5-10 contractors bidding on each project. This year 1-5 contractors are bidding on the projects. This is due to the increase in private construction as well as competition between other agency projects bidding at the same time. The projects are still getting good bids however.
 - ***Stephen Pearson asked what the risk is of a project going up 20% in cost, similar to Westside Trail***
 - *Steve explained there is always risk during construction which is why each project has a contingency as a safety net. These projects yield many variables including wetlands, soil issues etc. which may increase costs during construction. Projects over \$1 million have an outside construction manager to help protect the District and guide the project.*
 - ***Rob Drake asked if there is an incentive or penalty clause to help move the contractor along.***
 - *Steve stated there was a discussion but no formal decision has been made. There is an incentive on the Lowami Hart Woods project related to saving trees.*

Agenda Item #7-Land Acquisition Report

- Hal Bergsma, Director of Planning, reported on one recent acquisition of a natural area and gave a status update of previously identified acquisitions. Hal noted the focus of acquisition has shifted to natural area acquisition. A discussion with the Board of Directors relating to natural area acquisition resulted in an acquisition strategy and guidelines that will be used going forward.
 - ***Marc San Soucie, Chair, asked about the geographical distribution of all acquisitions and whether or not it is equitable.***
 - *Hal responded by stating a lot acquisitions are opportunity driven. He noted the southeast quadrant is substantially developed which limits opportunity for acquisition.*
 - *Bruce Barbarasch, Superintendent of Natural Resources and Trails Management, explained geographical equity was considered as much as possible. He also included the consideration of sites that are already used as natural areas and how those might be lower on the priority list due to the unlikelihood of it disappearing as well as the possibility of the site being available at a later date at little or no cost. Bruce noted*

- the importance of water quality, future connections and good wildlife habitat as part of the strategy of acquiring natural areas.*
- ***Kahler Martinson asked if there are criteria for ranking natural areas.***
 - *Bruce stated there is guidance listed in the Natural Resources Management Plan and a basic set of criteria was created at the last Board of Directors meeting. Staff is currently working on a quantitative set of criteria to rank the properties. The other factor, which is out of the District's control, is whether or not the seller is willing to sell.*
 - ***Frank Angelo asked for a definition of a natural area.***
 - *Bruce identified a natural area as a place that largely has historic natural processes of vegetation and topography. Some natural area sites may have high restoration potential if it is adjacent to other functional natural areas. Some parks may have a natural element feature which is defined as an area that no longer has a natural system but has a heritage component. Bruce gave an example of Cedar Hills Park where a large Douglas fir tree grove is present yet underneath there is recreation. It is not a natural area but has natural area heritage.*

Agenda Item #8-Discussion: Status of Youth Athletic Fields

- Marc San Soucie, Chair, asked for a rundown on the status of the Youth Athletic Field projects.
- Hal Bergsma, Director of Planning, provided a memo in the packet noting sites to planned to have youth athletic fields identified by the bond measure literature. Ten sites are slated to receive new youth athletic fields. Six fields have sites and field type identified by the literature. Of the six fields, two are completed (Meadow Waye Park and Paul and Verna Winkelman Park), two are under construction (Barsotti Park and A.M. Kennedy Park) and two are in design (Cedar Mill Park and Somerset West Park). The remaining four fields have undesignated sites and use. Each quadrant will receive a new field. One of the four undesignated fields will go in the NE quadrant in conjunction with the Cedar Mill Park project. A field will be constructed on the adjacent Beaverton School District (BSD) property. An Inter-Governmental Agreement was entered into with BSD relating to use and a minimum term of twenty years. Another undesignated field, in the NW quadrant, will be combined with the Somerset West Park Redevelopment project. The SE quadrant field has three possible locations while a site is close to being acquired for the SW quadrant field.
- ***Marc asked if the term 'multi-purpose' field is a functional choice or a policy change.***
 - Hal noted that it is more of a functional change to allow for more use of a site.

Agenda Item #9- Status of Work on the Next Annual Report

- Marc San Soucie, Chair, gave an update on the progress of the next annual report. Marc noted there will be a master list of project completions included in the report.
- ***Frank Angelo recommended the list of completed projects be broken down by quadrant. He thought it would be a good visual representation as well as touch on the geographical distribution of projects.***
- ***Marc suggested a map showing projects that have yet to be completed thereby showing a comparison of completed projects versus pending work.***
- ***Sue Rimkeit recommended a fold out map.***

Agenda Item #10-2nd Opportunity for Audience Comments

- No audience members to comment.

Agenda Item #11- Plan for the Next Meeting

- Marc San Soucie, Chair, noted the next meeting to be held on August 22, 2013.

Agenda Item #12- Adjourn

- There being no further discussion, the meeting was adjourned at 7:30pm.

Transcribed by,
Nicole Paulsen,
Recording Secretary