

**Bend Metro Park & Recreation District
Board of Directors
Work Session & Regular Meeting
Minutes
November 5, 2013**

BOARD PRESENT: Scott Wallace, Dan Fishkin, Scott Asla, Ted Schoenborn and Craig Chenoweth.

STAFF PRESENT: Don Horton, Michelle Healy, Lindsey Lombard, Theresa Albert, Jan Taylor, Matt Mercer, Pat Erwert, Dave Crowther, Steve Jorgensen, Sue Boettner, Jim Figurski, Brian Hudspeth, Amy Parker, Kristen Seifert and Paula Lowery.

LEGAL COUNSEL: None.

MEDIA: None.

VISITORS: Michael Graham, Keith Scott and Wade Fagen.

WORK SESSION

Chair Scott Wallace convened the work session at 5:33 pm.

Staff Introductions

Michelle Healy introduced Brian Hudspeth, Construction Manager. She explained Brian will be working primarily on construction oversight and management of bond projects along with SDC and facility reserve funded projects. Brian thanked the district for the opportunity to work on a lot of exciting projects. He stated he had worked for Les Schwab for the past 15 years as a construction manager doing a lot of construction projects throughout the western states. He stated one of the highlights of working for the district is the opportunity to work on a number of diverse, fun projects.

Matt Mercer introduced Kristen Seifert, Recreation Intern. Kristen stated she is from Minnesota attending Winona State University and will be graduating in December. She stated she is working as a Recreation Intern for the district and she worked for the city of Eugene as a Therapeutic Recreation Intern this past summer. She stated her focus with the district is with the inclusion program.

Lindsey Lombard introduced Amy Parker, Financial Accountant. Amy stated she is a CPA in Oregon and started her career in public accounting auditing government entities including special districts, financial institutions and employee benefit plants. She stated she has worked as a finance director for a non-profit and moved to Bend in January. She cited projects she has worked on in her two months with the district and stated she is looking forward to working with the construction and planning and design staff to create cost and budget tracking processes and cost analysis with recreation services.

Collaborative Development Projects Update

Matt Mercer explained the presentation is to update the board on the variety of collaborative development projects the district is involved in and to share lessons learned in the pursuit of other potential agreements. He stated the district has been very pioneering in terms of the amount of collaborative projects we have been engaged in as well as the variety of the efforts and the manner in which they have evolved. He conducted a PowerPoint presentation identifying each collaborative effort and cited the common steps to define the collaboration through preliminary discussions, developing a memorandum of understanding, creating a fundraising plan, fundraising benchmarks, design, construction, operations and specific use.

Matt presented information on the status of the collaborative projects with Bend FC Timbers, Bend Paddle Trail Alliance (BPTA), Bend Pickleball Club, PUSH (Providing Urban Skate Habitat) and Bend Ice.

Scott Wallace asked about the terms of the ground lease with Bend FC Timbers. Matt stated the MOU calls for a 30-year term for the ground lease. Scott Wallace clarified that once the district has completed the infrastructure at the Pine Nursery, the project is in the hands of Bend FC timbers to raise the funds for further development of the fields and associated amenities. Matt explained that once the ground lease is signed, Bend FC Timbers has two years to develop the improvements and there is the option for the district to extend that for one year, if they have made substantial progress. He stated that performance consists of all funds being raised, design is complete and the project is developed. Dan Fishkin clarified that the ground lease is contingent on Bend FC timbers raising the funds within that period of time. Don Horton stated that the ground lease will keep the district from using the property for anything else for that two-year period. Matt stated the ground lease protects the district in the event the funds aren't raised and the project is not developed, and it ensures the project is fully funded before they begin construction. He noted the district's work on the infrastructure is expected to be completed within the next month.

Jan Taylor provided details of the district's agreement with the Bend Paddle Trail Alliance. She noted BPTA's efforts to help pass the bond measure and reported the organization has met the first benchmark in the fundraising plan and it is now about 50% complete. Don Horton stated that in the fundraising discussions with BPTA they were advised that their \$900,000 contribution did not have to be limited to the whitewater channel and they were encouraged to consider McKay Park, the safe passage channel, the habitat channel and the whitewater channel as one project. He stated a lot of their money is going to come from grants that are associated with the habitat channel and opening up the project to a broader area helped them to be successful.

Matt Mercer explained changes to the collaboration with Bend Ice in terms of their role in capital fundraising due to the passage of the bond measure that will fund a permanent year around facility that will include an ice component. He stated the MOU will now focus on how Bend Ice supports programming and operations such as providing training for coaches and referees, creating equipment exchanges, supporting free or low cost community events and overall promotion of the culture of ice in the community. He added that Bend Ice will participate in the design process of the pavilion. Ted Schoenborn asked why Bend Ice is no longer raising funds for the ice sheet. He cited the original proposal of Bend Ice to raise a specific amount of money for the facility. Don explained that in looking at the capacity of Bend Ice to raise a significant amount of money, it was determined it would be better for Bend Ice to act as a docent to the facility and as a result the facility became part of the bond measure. Ted stated that he felt Bend Ice should be asked to make good on some of their promises in terms of providing funds to help provide equipment as well as management time. Don stated their contribution is yet to come and will not be a part of the facility construction. Scott Asla stated he agreed with Ted and noted that we have asked for a financial commitment from the other groups who are working on collaborative projects. Scott Wallace asked if there are firm numbers identified in the MOU for equipment and other things along those lines. Matt stated that one of the concepts being discussed with Bend Ice includes funding scoreboards, equipment and facility enhancements. He stated the operating support from a financial standpoint could be considered and noted that had been considered originally in the context of the district's subsidy exceeding projections. Scott Wallace stated originally the discussion identified the facility as seasonal to be operated four or five months a year and that has clearly changed to a facility that is operated for two-thirds of the year as something outside of the ice facility. Ted reiterated his concern for the lack of financial contribution from Bend Ice and the impact on staff time to create an agreement. Don stated their contribution will be more long-term in providing assistance with programming and operations. Craig Chenoweth stated he thinks the MOU will

solidify Bend Ice's role and while that may not be sharing in the upfront costs they could be key in helping with operations. Dan stated that it is clear that a monetary contribution will not come from Bend Ice, but the contribution could be in-kind in the form of commitments for operations. He stated in terms of longevity all of the agreements should document and clearly identify the responsibilities, control and liability for development and operation of collaborative projects. He stated the reality is that Bend Ice does not have money to contribute, but they could contribute a binding commitment in the operating agreement to volunteer personnel and hours, equipment, etc., so that it is a binding obligation to deliver on the back end of the partnership in terms of operations. Scott Wallace stated that all of us expect that all partners will have some tangible, measureable contributions and obligations as part of the MOU. Scott Asla stated that he feels it is reasonable to ask Bend Ice to raise funds for facility enhancements beyond what we are going to build, in the same way that BPTA is adding to the Colorado Dam project. He stated we want them to be successful. Scott Wallace stated we are going need that group and their experience in order to launch the ice facility and run the program successfully. Ted stated that counting on Bend Ice in the long-term, following their original proposal and subsequent changes to the project, makes him nervous and he urged staff to very carefully develop the MOU. The board discussed the circumstances surrounding the original Bend Ice proposal and the timing of the bond measure. Following discussion the board determined to evaluate the elements of the MOU to be presented at a future meeting.

Matt Mercer reviewed lessons learned surrounding the collaborative projects and associated agreements. He explained that all of the projects and relationships are unique and stated while we have applied a general standard process in developing these collaborative efforts, we realize it takes a lot of preliminary discussion to craft these agreements. Dan Fishkin stated we need to have a clearer understanding of when and what type of binding agreement we have with each of these parties, and that means we have to think the role of the district and collaborator through. He stated liability, insurance, responsibility all follows control and clearly delineating who does what, when, in a binding agreement needs to be entered into sooner in the process, in his opinion. He added he would welcome a work session discussion to define the components of the agreement and a timeline of the agreement, development, financial commitment and construction timeline, and include legal counsel and planning and design staff in developing this information, and provide a monthly report for the board on the status of the projects. Matt stated that MOUs have served as a great foundation, but they are not binding. He stated the timeline for, and elements of, binding agreements and/or formal donation acknowledgements needs to be defined. He noted there may not be anything binding beyond acknowledgement of the donation needed whereas some of these arrangements clearly need a binding agreement. Jan Taylor added that we have worked with planning and design and involved the district's legal counsel on fundraising plans and MOUs, however, it can be more thorough and that is one of the lessons learned. Dan stated that staff has done a terrific job to this point with all of these projects where we are learning as we are going along. He stated he would like to see going forward some systems put around it and some timelines of objective criteria that we can measure as the projects advance. Matt referred to the fundraising plans and stated that Jan has done a great job of working with groups to develop the plans and benchmarks, however, we have realized these need to be established early in the process as it is clear that we have provided considerable investment prior to any of the benchmarks being achieved. He stated that fortunately it has worked out to date, but the benchmarks have put us at risk and we really need to ensure that the benchmarks are more in line with the full development process in the future. Jan stated the benchmarks don't have to involve money and can be structured in such a way that the district can have full faith in the collaborating organization to show that they are moving forward to ensure that they are going to be able to raise the funds for the project. Scott Asla stated we have seen the whole gauntlet with these projects ranging from \$20,000 to \$2.5 million, and staff has done a great job and the district has taken on a lot at one time. Don Horton stated the district has gone from an idea three years ago and found ways to leverage our money with these collaborative projects.

He stated we are learning from this process and we continue to look for ways to improve upon what we have done. Matt stated there will be legitimate reasons why each agreement looks different and while they will be unique, we need to consider the impacts on other collaborations. Dan stated he would like to see the concept of cost to budget included in the process, as these projects are very high profile and involve public money, and we have an obligation to the stakeholders and the taxpayers to see that we bring them in on budget. Matt cited other details to address earlier in the process include donor and sponsor recognition and naming opportunities along with operations and maintenance expectations and responsibilities, facility use, key people and a regular meeting schedule. Matt identified the benefits of collaborative projects including increased leverage of tax dollars, potential for a better project, increased ownership of investment and building community relationships. He noted risks to collaborative projects including added costs in terms of staff time, some reduced level of district control, potential entitlement with the donor group, and failure of the collaborative group to fulfill their obligation. He stated that it is staff's desire to move forward with a successful model for collaborative projects and the board input will help us to address these shared issues. Scott Wallace stated that staff is plowing new ground and if we are going to plant the right seeds it is going to take a significant commitment of time and energy to get these arrangements in place. He stated that while we won't have a template there will be common issues that are similar with future joint venture groups that we can draw on from what we have learned and will continue to learn. He stated we will get proficient at doing these as time moves on and he complimented staff for their quality effort, and thoughtfulness that goes into these projects. He stated this is a good process the district will benefit from for years.

The work session was concluded at 7:04 pm.

REGULAR MEETING

Chair Scott Wallace called the regular meeting to order at 7:09 pm.

VISITORS

Wade Fagan addressed the board regarding Mirror Pond. He urged the board to mine Mirror Pond instead of dredging. He stated that he lives above Hollinshead Park and stated that for years someone has been siphoning water from the canal creating a creek in the old weir that flows through the center of the park. He stated this had made a beautiful oasis, however, last summer the parking lot flooded and the irrigation district was contacted. He suggested that the district acquire an acre of water rights to apply to the park and keep the creek growing. He stated it is a magnificent wildlife habitat and he would like to save it.

Keith Scott addressed the board regarding recent graffiti of park amenities. He urged the board to purchase surveillance cameras to address the problem. He stated that some type of plan could be devised to fund the purchase of the cameras. He stated the offenders should be required to clean up the graffiti.

CONSENT AGENDA

Minutes: October 15, 2013, Work Session & Regular Meeting

Award contract: Ponderosa Pavers & Shelter

Scott Asla moved to approve the consent agenda. Craig Chenoweth seconded the motion. Scott Asla, Craig Chenoweth, Ted Schoenborn, Dan Fishkin and Scott Wallace all voted aye. Motion passed.

Riley Ranch Nature Reserve Master Planning Contract

Jim Figurski reviewed the RFP and interview process to select a design team to provide planning, design and other services to master plan the Riley Ranch Nature Reserve. He stated that seven proposals were submitted and as a result of the process ESA Vigil-Agrimis was selected as the firm best suited to move the

project forward. He referred to components of Phase I describing the elements of the proposed project including the development of a Resource Management Plan and Master Plan for the entire site. He stated the completion of Phase I will include cost estimating and a priorities plan which will be followed by negotiation of the fee for construction documents with the same firm. Scott Asla asked if this is a local company. Jim stated they are based in Portland and have a local contact along with a good constituency of local experts on the team. Dan Fishkin asked if the approval of this contract for Phase I obligates the district to use the same group for Phase II. Jim stated the district would not be obligated to use this firm however; there is a certain advantage in working with a firm that has a complete history, data, maps and other information about the project. Scott Wallace asked about the project timeline for Phase I completion. Jim stated it is anticipated to take six months to complete the master planning phase and while we intend to begin the permitting process during the master planning phase there are some unknowns with regard to the UGB expansion area, although the county has jurisdiction over most of the project. He stated he expects completion with construction in 2014-15. Dan asked if there is a reason we are not negotiating the fee for Phase II now. Jim explained that at this point we don't know what we will be building and the master planning process will include cost estimates and prioritize the construction. He added this firm would have the ability to give us a good price knowing what the estimates are. Scott Asla stated that the construction documents could be used by other firms, if that was the case. Jim stated the construction documents go out to bid and any firm could build off of the master plan and natural resource plan if we chose not to go with this firm for construction documents. He noted there would also be a lag time with another firm to gain full knowledge of the project. Dan Fishkin moved to authorize the Executive Director to negotiate and execute a contract with ESA Vigil-Agrimis for Phase I, site master plan and resource management plan for Riley Ranch Nature Reserve in the amount of \$192,110 and to approve a total budget (for consultant services) not to exceed \$211,310. Ted Schoenborn seconded the motion. Dan Fishkin, Ted Schoenborn, Craig Chenoweth, Scott Asla and Scott Wallace all voted aye. Motion passed.

Riverbend Pump System Project Contract

Dave Crowther reviewed the history of the Riverbend Pump System that began with the district's evaluation of water use including future impact. He explained the reduction of potable water was considered and as a result it was determined the long-term costs and water savings warranted changes to the system to use of the district's irrigation water rights in Riverbend and Farewell Bend parks. He explained how the water would be diverted from the river through a pump system and reported the district is projected to save approximately \$2,000 per month over 20 years versus using Old Mill District water. He stated the life expectancy of the infrastructure is expected to be 40 to 50 years. Dave stated the district received two bids on the project and noted that although the project is significantly higher than the original budget there are appropriated and undesignated funds available in the Facility Reserve Fund that can be used for this purpose. He recommended that the board approve the low bid from Taylor NW LLC in the amount of \$234,180.50. Scott Wallace asked about the use of the water right and asked if we are using all of it. Dave explained the district water right with this site is with Swalley Irrigation District some of which has been leased in stream to hold for this purpose. Pat Erwert explained how the diversion will be constructed and operated with a pump that will be sized to serve both parks. He added we will be using in-house staff to run the pipe to tie into the mainline in Farwell Bend Park. Ted Schoenborn moved to accept the bid from Taylor NW LLC in the amount of \$234,180.50 and approve a total project budget not to exceed \$257,598. Scott Asla seconded the motion. Ted Schoenborn, Scott Asla, Dan Fishkin, Craig Chenoweth and Scott Wallace all voted aye. Motion passed.

Chair Scott Wallace noted that the business session was concluded and the Indoor Recreation Facility Priorities item from the work session would be presented at this time.

Indoor Recreation Facility Priorities

Matt Mercer stated the district has identified three sites for existing and future indoor recreation facilities: JSFC, Bend Senior Center and the Simpson Site Pavilion. He explained that we are entering into design of the senior center expansion and staff feels this is the time to seek a direction from the board regarding the priority of Phase II of the expansion or the to be determined indoor recreation facility at the Simpson site. He stated the board's direction will inform the planning process for the first phase of the senior center. He conducted a PowerPoint presentation providing information comparing the three sites and how the projects relate in scope and location. He also reviewed the components of existing facilities and stated while there is overlap with Juniper and the Senior Center, it serves a need for services. Matt reviewed demographic trends in terms of population by age groups and noted that the 55-64 year age group grew 130.9% in 10 years which is a compelling reason to meet the needs of an aging population. He stated that staff recommends that Phase II of the Senior Center expansion be the district's priority for indoor recreation facility development. He explained that Phase II of the Senior Center is likely feasible with existing district resources and it would fit and complement what we already have and what we are proposing would meet the unmet need that is a priority in the community. He stated if we were to build a larger site at Simpson we would be over providing that capacity, and it would almost certainly require an additional funding source. Don Horton stated that staff is asking if the Larkspur facility is where we should be concentrating our next big facility expansion, or if that should be redirected to the Simpson site in consideration of the OSU-Cascades campus and student population. Scott Wallace stated that the demographics demonstrate a wave of population that will need to be served and the acquisition of the property adjacent to Larkspur was included in the bond specifically to provide additional capacity at the Senior Center. Ted Schoenborn stated that it is his sense that it is the next logical step to go ahead with Phase II at the Senior Center as we don't really know what we want to do at Simpson, and we won't know until OSU-Cascades has a better focus on their development and how fast that is going to happen. Craig Chenoweth asked if the revenue generated by the expansion of the Senior Center would help offset the subsidy we are now covering. Matt stated that there are clearly financial benefits and it is feasible to do this project within our existing budget in five years. He stated from an operational standpoint this size of facility would provide a very healthy use level and the operations would be sustainable. He stated it would have a very minimal impact on JSFC and in terms of our existing operating budget at the Senior Center he would suspect it would not be much more than the \$250,000 budgeted now to operate the larger facility and provide a much higher level of service. Dan Fishkin asked about the collaboration with OSU for their students. Don stated he doesn't think OSU knows what they will need at this point and he expects it will be several years before they know what they want to occur where. He explained that we know where we want the Pavilion to be on the Simpson site and we would like to develop two or three concepts for development beyond that feature. Dan expressed concern regarding the unknowns and that we may have a larger opportunity for a larger scale facility with the university on the west side. He asked if both are years out why we need to make a decision now about how we are going to spend that money. Don stated the original vision for the Simpson site was to build a facility similar to JSFC, and if we were to do that now we would be competing with ourselves and the subsidy would be astronomical to run that facility. He stated that in the length of time it might take for OSU to determine what they want to do in partnership with the district we could have the senior center expansion built before we have an answer to that question. He added it will take years to reach the population base needed to support a large facility at the Simpson site. Scott Asla stated there are a lot of advantages to the Senior Center site as it will draw from a large area and we have a transit system in place that services that site. He stated there is a lot of transportation planning ahead for the west side and senior center expansion could come on line and serve very quickly to capacity. Matt explained that if the board's focus were to shift to the Simpson site, changes would need to be made to the master plan of the Senior Center. He noted that the existing master plan was created with the expectation that a Phase II would be the next step. Scott Wallace stated we need to get back to the needs and unmet needs expressed by the community, and how

the senior center expansion would address those needs. Craig Chenoweth stated that is not to say some of those amenities couldn't be provided on the west side. He asked if the Simpson site facility is being shelved prematurely in consideration of what the west side brings over a period of time with the college and a need for recreation facilities. Dan stated OSU is a very large part of it, but we know that the west side is expanding with the growth at NorthWest Crossing, and asked if there is going to be an unmet need as a result of that growth. The board and staff discussed anticipated growth on the west side, student population and the appropriate timing for the development of the Simpson site. Following a lengthy discussion the board reached a general consensus to move forward with Phase I and II of the Senior Center expansion.

EXECUTIVE DIRECTOR'S REPORT

Don Horton shared upcoming public meeting dates for Colorado Dam Safe Passage, 1st Street Rapids and Canal Row projects.

Don Horton reported on a meeting with PacificCorp regarding the Newport Street dam. He stated that PacificCorp is waiting to receive the results of the dam inspection before making a determination about the future of the dam. He briefly reviewed the issue of property ownership and water rights and explained that he has given a great deal of thought to how the ad hoc committee could create a position that would be acceptable to the city council, board and community.

As there was no further business the meeting was adjourned at 8:40 pm.

Prepared by,

Paula Lowery
Executive Assistant

Scott Wallace, Chair

Dan Fishkin, Vice-Chair

Ted Schoenborn

Scott Asla

Craig Chenoweth