



Bend Metro Park & Recreation District

November 17, 2020

Board of Directors

Agenda and Reports

www.bendparksandrec.org



play for life



Our Vision

To be a leader in building a community connected to nature, active lifestyles and one another.

Our Mission

To strengthen community vitality and foster healthy, enriched lifestyles by providing exceptional park and recreation services.

We Value

Excellence by striving to set the standard for quality programs, parks and services through leadership, vision, innovation and dedication to our work.

Environmental Sustainability by helping to protect, maintain and preserve our natural and developed resources.

Fiscal Accountability by responsibly and efficiently managing the financial health of the District today and for generations to come.

Inclusiveness by reducing physical, social and financial barriers to our programs, facilities and services.

Partnerships by fostering an atmosphere of cooperation, trust and resourcefulness with our patrons, coworkers and other organizations.

Customers by interacting with people in a responsive, considerate and efficient manner.

Safety by promoting a safe and healthy environment for all who work and play in our parks, facilities and programs.

Staff by honoring the diverse contributions of each employee and volunteer, and recognizing them as essential to accomplishing our mission.

play for life

District Office | Don Horton, Executive Director

799 SW Columbia St., Bend, Oregon 97702 | www.bendparksandrec.org | (541) 389-7275



Board of Directors

November 17, 2020

District Office Building | 799 SW Columbia | Bend, Oregon

AGENDA



4:00 p.m. EXECUTIVE SESSION This meeting will be held pursuant to ORS 192.660(2)(e) for the purpose of discussing real property transactions. This session is closed to all members of the public except for representatives of the news media. News media is asked to contact Sheila Reed to attend sheilar@bendparksandrec.org.

To support Governor Brown’s recommendation for social distancing, the Board of Directors will conduct the regular board meeting by video.

View the board meeting [Bend Park and Recreation Facebook page](#).

5:30 p.m. CONVENE MEETING

VISITORS

The board welcomes input from individuals at our public meetings about district-related issues.

Members of the community who wish to make public comment are asked to submit comments by email to sheilar@bendparksandrec.org. Comments received by 3 p.m. October 6, will be read at the board meeting and entered into the public record. Remarks should be limited to 3 minutes or less. If there are questions, follow up will occur after the meeting. Thank you for your involvement

WORK SESSION

1. SDCs and Affordable Housing – *Michelle Healy and Lindsey Lombard (60 min)*

CONSENT AGENDA

1. Minutes – 10/20/2020

BUSINESS SESSION

1. GMP for JSFC Pool Tank Renovation – *Bronwen Mastro (10 min)*

EXECUTIVE DIRECTOR’S REPORT

PROJECT REPORT

BOARD MEETINGS CALENDAR REVIEW

GOOD OF THE ORDER

ADJOURN



BOARD AGENDA COMMUNICATION

AGENDA DATE:	November 17, 2020
SUBJECT:	System Development Charges (SDC) and Affordability
STAFF RESOURCE:	Michelle Healy, Deputy Executive Director Lindsey Lombard, Administrative Services Director
PREVIOUS BOARD ACTION:	June 4, 2019 - Adopted Ordinance 12: System Development Charges, and accompanying Resolutions No. 421, 422, 423, 424, and 425
ACTION PROPOSED:	None
STRATEGIC PLAN:	
Pillar:	Operations and Management Practices
Outcome:	A balance between caring for existing infrastructure and new development
Strategy:	Ensure the district is maintaining its adopted level of service targets

BACKGROUND

Over the next couple of months, staff will be bringing information to the board about the district's park system development charge (SDC) program for review and discussion. These discussions are prompted by a request by the city of Bend that the district lift the 400-unit cap on the district's adopted SDC waiver program for affordable housing projects.

This work session is expected to be the first of two, or possibly three meetings to discuss SDCs and the district's consideration of the city's request. The first meeting will provide the board with an overview of the district's SDC program including: history of park SDCs; how SDCs fund the park system; how SDCs fit into the district's overall funding for services and programs; how the district supports equitable and affordable access to a desirable quality of life; a review of the 2019 new ordinance and methodology; a report reflecting the affordable housing park SDC waiver program to date, and other key considerations related to the affordable housing waiver and SDC program in general.

It is anticipated that future meeting(s) will include a presentation by city staff about the city's affordable housing program and an explanation on how they fund projects, and a summary of the expected future park SDC waiver needs. Following this presentation and based on the board's discussion and feedback, staff will prepare options for the board to consider in response to the city's request.

History:

SDCs are one-time charges on new residential and visitor accommodation development to help pay for expanded park, trail and recreation facility needs that serve population growth. SDCs are regulated by State law, and they can only be used to expand park infrastructure necessary to

accommodate new growth. SDCs cannot be used to pay for operations, maintenance or repair, or the development of administrative facilities. Park SDCs cannot be used to increase level of service for existing residents.

The district adopted its first SDC methodology in the late 1990s (prior to that park fees had been assessed by the city of Bend). Over the years, the district has updated the program in order to keep pace with the rapid population growth in Bend. Since the adoption of the district's first SDC methodology, population in the district has more than doubled to about 100,000 residents today.

Park SDCs collected over the years from this new growth have been critical to maintaining level of service and assuring the provision of the necessary parks, trails and recreation facilities to serve these new community members. Over the last two decades, SDCs have partially or fully funded the acquisition or development of 27 neighborhood parks, 15 community parks, Riley Ranch Nature Reserve, Shevlin Park, Larkspur Community Center, and several significant trails, including the South Canyon Trail Bridge, portions of the Deschutes River Trail, Central Oregon Historic Canal Trail, Larkspur Trail, Coyner trail, and other trail segments. SDCs allows the district to assure service equity in the distribution of these new parks and trails throughout the system, and is a core service that is available to all community members.

Maintaining level of service as the community grows is important to district residents. Recent statistically valid surveys, done as part of the comprehensive plan update, indicate that Bend's park system is highly valued by the community with 61% of respondents indicating they use district facilities or trails at least several times per week and 17% of respondents indicated their household uses the facilities once per week. Only 1% of respondents indicated they never use district facilities. Additionally, community members consistently stated that these facilities and services add to their quality of life and that expanding or improving the system as the community grows is essential over reducing service levels.

District Funding Sources:

The district has three main funding sources available to fund all services; these are property tax revenue, recreation and rental fee revenues and SDC fee revenue. These revenues are primarily used as follows:

1. SDC fee revenues:
 - a. Are only available to use to acquire and develop new or expanded park and recreation facilities – to serve the need created by community growth.
 - b. Are the primary revenue source available to the district for this purpose.
2. Recreation and rental fee revenues:
 - a. Pay for the majority of the direct costs of providing the related services.
 - b. Are based upon the board-adopted cost recovery and subsidy allocation model.
3. Property tax revenues pay for nearly everything else, including but not limited to:
 - a. The maintenance, repair, renovation and replacement of district parks, trails and recreation facilities.
 - b. Acquiring and/or developing facilities that are either not eligible for SDC revenues or can only be partially funded through SDCs, such as administrative buildings and a portion of indoor recreation facilities (e.g., the district office, Larkspur Community Center, a new park maintenance shop).
 - c. Services that affect affordable livability in Bend:

- i. Needs-Based Assistance and scholarships for recreation services for patrons with reduced ability to pay.
 - ii. Targeted outreach, programming and no-fee events to provide direct service to underserved and vulnerable community members.
 - iii. Inclusion services and therapeutic recreation programs for youth and adults with disabilities.
 - iv. Subsidies that cover the additional cost of recreation and rental services that are not charged to patrons through fees.
- d. General district operations.
 - e. Paying annual debt service on the loan for the 2007 JSFC expansion and renovation project.
 - f. Paying down the PERS unfunded liability.
 - g. Building and replenishing reserves for rainy days.

The district is a special district charged with providing park and recreation services. The district's funding comes with limitations on how it can be expended, and it does not have the same level of flexibility as other local governments. Also, unlike other local governments, the district has limited additional funding tools to provide critical park, trail and recreation infrastructure. Property tax revenues generated by Special Park Districts are dedicated to provide park and recreation services in the same way that a Library District may only expend funds on library services, or water and sewer funds generated by city government can only be spent on sewer and water purposes.

How are park SDCs unique, or different from other types of SDC fees?

State law allows for the assessment of SDCs for a variety of services. Locally, SDCs are collected for sewer, water, transportation and parks and recreation. Often there are questions about why is the park SDC higher than the other SDC fees, and how can it be reduced?

There are some aspects of the park SDC fee that are different from the other types of SDCs that need to be explained to answer these questions.

1. Parks, recreation facilities and trails are land intensive, and land in Bend is expensive. Currently, 23% of the district's park SDC fee is collected to fund the purchase of land necessary to build these types of facilities.

There are some instances where parks and trails are dedicated at no cost, but more commonly, the district pays market rate to acquire "buildable" land. (Parks and trails that are expected to be dedicated are excluded from the SDC project list, and do not factor into the fee.) "Buildable" land is an important distinction, as it is difficult to build a sports field or a recreation center on uneven terrain, on a small or odd shaped parcel, or in an obscure location far from the people who intend to use it.

Local jurisdictions are able to require infrastructure improvements or land dedications, over and above the SDC fees, to help meet road, sewer and water system needs. In most cases, the park district is only able to require that developers pay the park SDC and cannot require the development of additional park improvements. One exception is for some trails. Because trails are part of the broader transportation system, the district works with the city

who is able to require developers to dedicate land and build trails that are identified on the planned trail system.

2. The other 77% of the park SDC fee is used to fund construction. Building parks and recreation facilities requires using park SDCs to cover costs not always required for improvements built with the other types of SDCs (or to a lesser degree).

Park SDCs used to build parks, trails and recreation facilities pay for:

- a. Water, sewer and transportation SDCs - the city is not required to pay park SDCs to complete capital projects.
 - b. Road and offsite improvements – such as “half street improvements” and utilities, whereas other SDCs do not fund park projects.
 - c. Utility relocation expenses in the public right of way. Public infrastructure constructed by the park district and school district is not covered by the city’s franchise agreements. The city is able to require utilities to move their infrastructure at the utility provider’s expense for city projects, whereas the park district and school district must bare those full costs.
 - d. Building permits, right of way permits, land use permits and affordable housing fee. (The city does pay these fees depending upon the project.)
3. Park SDCs in Bend are only collected on residential development and visitor accommodations. The other SDC fees are assessed on residential and non-residential development, which helps spread the overall SDC costs for sewer, water and transportation over a broader base of payers, which reduces the fee. (Note: other agencies around the state do charge park SDCs on non-residential development.)

2019 SDC Program Update:

In June 2019, the board of directors approved a new SDC Ordinance, which authorizes the district to assess and collect system development charges. Additionally, the board adopted five accompanying resolutions to the ordinance that support the implementation of the SDC program:

1. Resolution No. 421 - Methodology for Calculating System Development Charges
2. Resolution No. 422 - SDC Capital Projects List
3. Resolution No. 423 - SDC Waiver for Affordable Housing
4. Resolution No. 424 - Procedures for Entering into Developer Recovery Agreements
5. Resolution No. 425 - SDC Fee Schedule

When the board directed staff to update the SDC program, they requested that staff carefully consider affordability and equity in the approach, while maintaining level of service. In response, the district’s new methodology includes an option to collect fees using a more progressive assessment approach that is based on the size of the dwelling units, in addition to providing an option for the traditional assessment approach, which is based on average population. The district considered, but elected not to, assess SDC fees on commercial development.

The tiered approach was supported by local population data which demonstrates that larger homes generally have more people living within them and vice versa. Using a tiered approach results in lower fees for smaller units and higher fees for larger homes (e.g., >3,000 sq. ft. single family), which help address general affordability and could encourage construction of more affordable

“workforce” housing. It also promotes equity in that smaller homes with less people, are not subsidizing larger homes with more people, which is the case in a more traditional flat fee approach.

The tiered park SDC rates, while approved by the board in 2019, have not been implemented yet. The city of Bend collects the district’s SDC fees on behalf of the district at the same time as they collect transportation, sewer and water SDC fees. The city asked the district to delay implementation of the tiered rates for parks until they had a chance to consider options for city SDC fees, as well as enough time for them to implement a new software program to more easily assess and collect the fees. The district believes that this tiered approach is one of the best to help with general housing affordability and equity in Bend.

Even without the implementation of the tiered fees, the new methodology and program update included a number of other changes that addressed affordability and equity including:

1. Reduced fees for all multifamily development by 25% - even under the flat (non-tiered) fee approach;
2. Reclassified certain shared-wall, single-family developments (e.g., town home, duplex) to multifamily - reducing fees by about 32% and encouraging construction of more dense and affordable “workforce” housing;
3. Updated population estimates for visitor accommodations to better reflect the large influx of visitors and capture the truer impacts on the park system (hotel fee increased by nearly 80%);
4. Removed a number of projects, equal to about \$17.6 million, from the SDC project list to keep fees from going up from what existing rates would have been – a tradeoff for potential level of service decrease over the next 10 years; and
5. Created a pilot program to waive park SDCs for up to 400 units in qualified affordable housing developments – a tradeoff for potential level of service reduction.

Affordable Housing Waiver Program:

As part of the SDC program update in 2019, the board approved a pilot program that allows for the waiver of SDCs for up to 400 units of eligible affordable housing developments. Eligible affordable housing units are defined as deed-restricted housing (minimum of 30 years) that serve people at 60% of the area median income (AMI) for rental housing or 80% AMI for resident-owned housing. The pilot program was created in consultation with the city of Bend, with 400 units tied to city goals of 100 units per year. The pilot program started on June 4, 2019, and sunsets on December 31, 2022.

To date, the district has approved 380 waivers, nearly two years ahead of the scheduled sunset date. The value of these waivers is about \$2.3 million dollars, which is roughly equivalent to the acquisition and development of a 4-acre neighborhood park. During the adoption of the waiver program, the board acknowledged that the program would reduce funding for the SDC project list and potentially result in the need to cut projects from the list in the future.

BUDGETARY IMPACT

SDCs are the main source of funding for the development of parks, trails and recreation facilities to serve growth. They support the district’s goals of maintaining the same level of service as population increases and to assure the benefit of having parks that past generations have enjoyed.

The SDC methodology establishes the SDC fees, which influence future revenues for SDC eligible projects in the district's adopted Capital Improvement Plan.

STAFF RECOMMENDATION

None

MOTION

None

ATTACHMENTS

None



Board of Directors

October 20, 2020

District Office Building | 799 SW Columbia | Bend, Oregon



To support Governor Brown’s recommendation for social distancing, the Board of Directors conducted the regular board meeting by video.

View the board meeting via [Bend Park and Recreation Facebook page](#).

BOARD PRESENT

- Nathan Hovekamp, Chair
- Ariel Méndez, Vice Chair
- Jason Kropf
- Deb Schoen
- Ted Schoenborn

STAFF PRESENT

- Don Horton, Executive Director
- Michelle Healy, Deputy Executive Director
- Julie Brown, Manager of Communications and Community Relations
- Lindsey Lombard, Administrative Services Director
- Matt Mercer, Director of Recreation
- Sheila Reed, Executive Assistant
- Brian Hudspeth, Development Manager
- Sarah Bodo, Park Planner
- Rachel Colten, Park Planner

5:30 p.m. MEETING CONVENED

VISITORS

None

WORK SESSION

1. River Habitat Restoration and Access Plan Update – *Sarah Bodo and Rachel Colton*

Ms. Bodo gave an overview of the river plan project and goals. She said the project scope includes 16 parks that are along the Deschutes River. She spoke about the 25 designated river access points and another 94 that have been user created by people and pets, and said they continue to grow in number and size. She said part of the river plan includes exploring how to manage the river access and protect riparian areas. Ms. Bodo remarked that riparian habitat is critical to wildlife, helps prevent erosion and offers an esthetic value too.

Ms. Bodo continued to speak about the plan and that it seeks to balance the needs of the community and district policies. The district comprehensive plan surveys showed that the community desires the following:

- Areas to access the river
- Off-leash dog areas with water access
- Natural area parks

District policies include:

- Take care of what we have
- Invest in the future
- Collaborate and coordinate
- Nurture partnerships
- Enhance access, remove barriers
- Environmental stewardship

Project goals:

- Identify and prioritize projects that balance habitat restoration and user access
- Improve and consolidate existing access points
- Engage diverse stakeholders to inform plan
- Develop fiscally sound implementation plan

Ms. Colton spoke about the progress of the plan since last update. She said the focus group for the plan was made up of a diverse group from the following 14 organizations:

Bend Paddle Trail Alliance	Oregon Adaptive Sports
Central Oregon Coalition for Access	Oregon Department of Fish and Wildlife
City of Bend	OSU Cascades/COCC
DogPac	Tumalo Creek Kayak & Canoe
Latino Outdoors	Upper Deschutes Watershed Council
National Wilderness Stewardship Alliance	US Fish and wildlife Service
Old Mill District	Visit Bend

Ms. Colton said staff hosted six focus group meetings. She said patrons were asked to provide input on projects at 14 river parks and off-leash dog water access areas with the goal of balancing the desires of the community and protection of habitat. In addition, a community survey was completed in February. The district received 712 responses including 20 that were in Spanish. Staff does believe that due to the outreach to the Latino communities, that there was broader Latino representation to the survey, but some Spanish speaking people chose to take the survey in English. Ms. Colton next shared a summary of the community survey:

- Satisfaction with river access: 84% neutral or satisfied, 16% dissatisfied
- 86% of respondents feel that improving wildlife habitat along the Deschutes River is somewhat or very important.
- Top 3 activities – (1) trail walking, running or biking; (2) paddling; (3) floating
- Most used parks for top three activities: Farewell Bend, Riverbend, and Drake
- Top six concerns for river parks – (1) bank erosion (2) number of people (3) litter (4) vegetation trampling (5) parking availability (6) behavior of people.

*The survey noted that responses to the Spanish survey: lack of trash cans was a top concern. The number of people was a low concern.

Ms. Colton next explained the internal outreach efforts. She said there has been ongoing engagement with district staff and a targeted engagement is scheduled next week asking staff to review focus group suggested projects.

Ms. Bodo said the river plan is a comprehensive level plan for the river parks, the outcomes will be high level conceptual ideas about what should be implemented and where. Once the plan is finalized and approved by the board, it will include a prioritization of projects. Ms. Bodo gave an update on the Riverbend South project that is a river project that is already underway and an example of the type of project that she would like to see as an outcome of the River Habitat Restoration and Access Plan. Ms. Bodo said part of the river upstream from Riverbend Park has been recognized as a site with significant erosion issues and loss of habitat. She explained that this project is being done in conjunction with district partner, Upper Deschutes Watershed Council (UDWC). It is also serving as a pilot project for the communications of the overall river plan. Currently, there are nine undesignated access points that are causing erosion in this section of the river. The Riverbend South Project will include the creation of three river access points, an ADA transfer station, riverbank restoration and interpretive signs. The project is not fully funded, the district has received one grant and is seeking further grant funding. If the funding is successful, the district will move forward with permits and begin construction starting fall 2021.

Ms. Bodo reviewed the project schedule, listing first the research phase. Staff is currently working on identifying of dog off-leash water access areas, project list and prioritization criteria development and internal/external engagement. The last phase will include a draft of the final plan for board approval.

Next steps that require board action:

- January -Project Selection & Prioritization
- February -Summary of Public Input -Project List
- Spring-Draft Plan Review
- Summer -Final Plan Review and Action

The board asked how much of an impact there will be on people's behaviors by creating the access points. Ms. Bodo responded that the access points will be well developed to direct people to them and the user created access will be managed with fencing and other methods to discourage use. All access points were observed for level of use, staff will use this data to understand the impact to users if access is closed.

The board expressed their appreciation for the public engagement and input that was asked for early in the process. Ms. Bodo said a stakeholder list of about 100 people was also used to get information out to the public and said the next round of public engagement will include surveys in English and Spanish.

The board asked what a dog water access would look like. Ms. Bodo said staff is unsure at this time. She spoke about a private access that is adjacent to district property saying it is only conducive to large and strong dogs. She said staff is looking into ideas. It has been determined that animals have a large impact on habitat, this will be taken into consideration as well. The board asked if DogPac would be interested in partnering to build dog access areas. Ms. Bodo replied that DogPac is involved, but a financial partnership has not been discussed.

Ms. Bodo addressed the board about a letter that Bend Paddle Trail Alliance (BPTA) sent the district regarding the closure of the boat launch at Columbia Park. She informed the board that staff is treating this area as a priority in the river plan project. She said the boat launch was designed for less use, the launch got more use than staff had anticipated and was not sustainable. The district did close the site and has determined that an investment will be required to reopen the it.

CONSENT AGENDA

1. Minutes – 10/06/2020

Director Schoenborn made a motion to approve the consent agenda. Director Méndez seconded. The motion passed unanimously, 5-0.

EXECUTIVE DIRECTOR’S REPORT

- Executive Director Horton shared that Clare Gordon and Michelle Healy have both earned Certified Park and Recreation Profession (CPRP) certification. Ms. Healy has also been elected to a three-year term to serve as president of ORPA board.
- One new COVID guidance has been issued since the last board meeting, it has been reviewed and the district is already following and will not make any significant changes to the district.
- A few staff attended a People Speak presentation yesterday with a detailed demonstration for engaging the public for public hearings and meetings.
- Larkspur is almost complete and the contractor is working on the punch list, staff is in training, and the district is anticipating opening in January. Executive Director Horton add that it is unfortunate that the COVID guidance does not yet allow the district to open the senior center yet.

PROJECT REPORT

BOARD MEETINGS CALENDAR REVIEW

GOOD OF THE ORDER

- Director Kropf said he would like to again encourage the board to invite Lynne McConnell to a board meeting to discuss plans for affordable housing. Executive Director Horton responded that staff is planning to invite her to the next meeting. Director Kropf encouraged everyone to vote in the upcoming election.
- Director Méndez said he is looking forward to touring the Larkspur Center. He commended staff and recreation staff for all the work that they have done recognizing the wrench that COVID has put in everyone’s lives. He expressed his appreciation for the work done for Team Up, the high percentage of kids in need that are being served, and keeping up with all the guidelines for COVID. He said it is a tremendous amount of work.
- Director Schoen spoke about her experience with the Central Oregon Decency Project, the program was developed by DA Hummel for restorative justice. This was led by a professional moderator that allowed the perpetrators and victims to have a guided conversation. The district case involved a young woman that vandalized park property with graffiti. Director Schoen said the experience was very moving and said the district needs to do what it can to make it easy for public to voice their concerns and let the public know that the district values the communication.
She thanked staff for looking at the public engagement information and congratulated Ms. Healy to on her election.

- Director Schoenborn congratulated the CPRP certifications and Ms. Healy on her election, he said this continues a long line of people from the district that are involved in leadership at ORPA.
- Director Hovekamp said he has been tuning in to a lot of the candidate forums and SDC fees are being brought up, he said the board will soon be talking about the district SDCs. He added that SDCs are the primary funding system for building parks and the community expects the district to keep up with the growth. He said some candidate comments on SDCs are unintentionally distorted and some are just lying. He remarked that when elected officials or candidates distort the issues around SDCs, it either demonstrates the ignorance of the importance of SDCs to park development and maintaining the beautiful park system or it is deliberate demagoguing of the district to promote windfalls for developers or an agenda the candidate is pursuing. He noted that the district has and will continue with efforts to support affordability and he is proud of the exemptions, abatements and the progressive SDC methodology that the board passed. He commented that the SDC methodology continues to languish on the city's desk and has yet to be implemented. He pointed out other district contributions to affordable living, including scholarships and subsidies for the community. He said he asks that candidates be more accurate when speaking about SDCs and requested that the board support more accurate and informed public rhetoric on SDCs and more productive civil discord. He said he looks forward to a healthy conversation about SDCs. Executive Director Horton thanked Director Hovekamp for his comments and said there is a board looking at all SDCs and considering what changes could be made for affordability. SDCs are a small cost compared to the cost of land. Executive Director Horton stated that losing SDC money would hurt the park district and commented that he would like the tiered methodology to be implemented by the city. Adding that the district is not the high agency in the state for SDCs.

ADJOURN 6:34 pm



Prepared by,
Sheila Reed
Executive Assistant

Ted Schoenborn, Chair

Nathan Hovekamp, Vice-Chair

Jason Kropf

Ariel Méndez

Deb Schoen

BOARD AGENDA COMMUNICATION

AGENDA DATE:	November 17, 2020
SUBJECT:	JSFC Pool Tank Replacement GMP Award
STAFF RESOURCE:	Bronwen Mastro, Landscape Architect Brian Hudspeth, Development Manager
PREVIOUS BOARD ACTION:	November 5, 2019, awarded contract for design-build services; July 16, 2019, adopted Resolution No. 431 – Design Build Alternative Form of Contracting Method for Juniper Swim and Fitness Indoor Pool Tank Renovation Project
ACTION PROPOSED:	Approve GMP from Pence Construction, LLC. - Exhibit B of the Contract awarded on May 13, 2020
STRATEGIC PLAN:	
Pillar:	Operations & Management Practices
Outcome:	A balance between caring for existing infrastructure and new development
Strategy:	Continue to "take care of what we have" by prioritizing investments in the District's existing assets.

BACKGROUND

In July 2019, the Board of Directors adopted Resolution No. 431, which exempted the Juniper Swim and Fitness Indoor Pool Tank project from competitive bidding and directed staff to use the design-build contracting method. In May of 2020, the board awarded a design-build contract to Pence Construction, LLC (Pence).

The design-build contracting method completes projects in two phases – preconstruction and construction. Preconstruction consists of the preliminary investigation, design, and permitting. Upon completion of this work, the contractor then provides the district with the guaranteed maximum price (GMP) for construction, which is then the second phase.

The design-build contract requires that Pence develop a GMP after bidding the project publicly, including collecting bids from other contractors for work that they plan to self-perform. Pence completed the public bidding process for the project in July, and provided the district with a breakdown of all the bids they received. Staff reviewed the bids, and have been working with Pence and the architect to value engineer elements of the project to reduce the overall cost.

On November 3, Pence provided the district the official GMP documents. The GMP includes all work necessary to construct the project per the plans and specifications, plus a 5% contractor's contingency for a total price of \$2,988,457. Once the GMP is approved by the board, it becomes an exhibit to the contract, and allows staff to issue the contractor a notice-to-proceed with

construction. The construction phase will include the construction, commissioning and turnover of the completed project to the district. The project is expected to take six months to complete.

BUDGETARY IMPACT

The 2021-25 Capital Improvement Plan (CIP) allocates \$3,030,000 of property tax revenue for this project. The total projected cost for construction is \$3,287,303, which includes an additional district contingency of 10%. Other project costs over and above the GMP, total \$421,503, and include Pence's pre-construction fee, permit fees, testing and other miscellaneous project costs. The combined project costs total \$3,708,806, exceeding the CIP funding allocation by \$678,806.

One other significant change occurred in the CIP projects so far this fiscal year, and it relates to the Larkspur Community Center project. The adopted System Development Charge (SDC) project list allows for \$951,887 more in SDC funding to be used towards the Larkspur project than was allocated in the CIP. By reducing the property tax revenue allocation and increasing the SDC revenue allocation by the \$951,887, additional property tax revenues become available for other capital projects.

STAFF RECOMMENDATION

Staff recommends accepting the GMP from Pence Construction, LLC. in the amount of \$2,988,457. Staff also recommends approving a 10% contingency in the amount of \$298,846, for a total cost of construction not to exceed \$3,287,303. Staff further recommends the additional \$678,806 of funding required for the JSFC project be funded from a portion of the \$951,887 of property tax revenues made available from the Larkspur Community Center project funding allocation change.

MOTION

I make a motion to authorize the Executive Director to execute the GMP, Exhibit B of the contract with Pence Construction, LLC in the amount of \$2,988,457, and to add an additional contingency of \$298,846 for a total construction budget not to exceed \$3,287,303.

ATTACHMENT

None

**Board Calendar
2020-2021**

**This working calendar of goals/projects is intended as a guide for the board and subject to change.*

December 1

Work Session

- ◆ Trail IGA with City – *Henry Stroud and Janet Hruby (city of Bend) (30 min) (tentative)*
- ◆ SDCs and Affordable Housing – *Lynne McConnell (city of Bend), Michelle Healy and Lindsey Lombard (60 min) (tentative)*

Consent Agenda

- ◆ Codify Policies

Business Session

- ◆ Petrosa Agreement Approval (Park Search Area) – *Sarah Bodo (30 min)*
- ◆ Shevlin West Agreement Approval (Park Search area) – *Michelle Healy (15 min)*
- ◆ MOU on Fish Passage – *Don Horton (30 min)*

December 15

Work Session

- ◆ Receive Budget Committee Applications and Review Process – *Betsy Tucker (10 min)*
- ◆ DEI Update – *Sarah and Natalie (20 min, tentative)*

Business Session

- ◆ Alpenglow Park Contract Award – *Jason Powell (10 minutes)*
- ◆ Approve Shevlin West Neighborhood Park agreement – *Michelle Healy (15 min, tentative)*

January 5

Work Session

Recreation Report

Business Session

- ◆ Appoint Budget Committee Member– *Betsy Tucker (15 min)*
- ◆ Approve Petrosa Neighborhood Park Master Plan – *Ian Isaacson (10 min)*

January 19

Work Session

- ◆ River Habitat Restoration and Access Plan Update – *Sarah Bodo and Rachel Colton (30 min)*

Business Session

February 2

Board Workshop 9am-4pm

February 16

Work Session

Park Services Report

Business Session

March 2

Work Session

- ◆ River Habitat Restoration and Access Plan Update – *Sarah Bodo and Rachel Colton (30 min)*

Recreation Report

Business Session

March 16

Work Session

Park Services Report

Business Session

April 6

Work Session

Recreation Report

Business Session

IGA with the City for Planning – *Michelle Healy and Don Horton (45 min)*

Recreation Programming Plan – Matt Mercer and Michael Egging

Transportation Discussion with CTAC– *Eric King and Susanna Julber (45 min)*

IGA with the City for Mirror Pond Silt Removal – *Don Horton (30 min)*

Annexation – Smallwood Property – *Sarah Bodo (10 min)*

Refund Policy – *Matt Mercer*

Award construction contract for Big Sky Park – *Brian Hudspeth (15 min)*

Recreation Report: Next Steps Program – *Monica McClain-Smith and Carolyn Creedican (15 min)*

Park Services Hard Surface Program – *Jason M and Alan Adams (15 min)*

Centennial Celebrations – *Julie Brown (20 min)*

Agreement for Riverbend South project with UDWC – *Ian Isaacson (20 min)*

Park Services Report: Fleet and Equipment Program – *Roy Radcliff (15 min)*

Park Services Report: Prescribed Fire – *Jeff Amaral (30 min)*

Park Services Report: Hardsurface Program – *Alan Adams and Jason Monaghan (15 min)*

Approve Credit Card Processor Contract – Justin/Jut/Betsy

Update on Bi-lingual Communications – *Julie Brown and Kathya Avila Choquez (20 min)*

SDC's and Affordable Housing

Contract Award for Hollygrape ADA – *Jason Powell (10 minutes)*