



Oregon Zoo Bond Implementation:

Stronger oversight needed to meet commitments

April 2026
A Report by the Office of the Auditor

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MEMORANDUM

April 17, 2026

To: Duncan Hwang, acting Council President and District 6 Councilor
Ashton Simpson, Councilor, District 1
Christine Lewis, Councilor, District 2
Gerritt Rosenthal, Councilor, District 3
Juan Carlos González, Councilor, District 4
Mary Nolan, Councilor, District 5

BE

From: Brian Evans, Metro Auditor

Re: Oregon Zoo Bond Implementation Audit

The purpose of this audit was to evaluate Oregon Zoo bond implementation. The audit found that the Zoo was not prepared to implement the 2024 ballot measure. Ineffective oversight led to significant changes to the first project's scope of work that were not aligned with the Campus Plan you approved in September 2024.

Tools to manage the bond were not finalized before construction began. In addition, performance measures were not in place to show progress on commitments made to voters. Potential measures were available for three of the bond's seven commitments, but adequate measures were not available for the other four.

The Zoo may not be setting aside enough in financial contingencies based on their own guidance and lessons learned from the previous bond. This increases the risk that bond projects in the Campus Plan would not be delivered as envisioned.

I have discussed the report with the Chief Operating Officer; General Manager of Visitor Venues; Oregon Zoo Director; and Director of Campus Planning and Development. I would like to thank them and all the other employees who assisted us during the audit.

Summary

In May 2024, Metro voters approved \$380 million in general obligation bonds for improvements at the Oregon Zoo. Funds were intended to replace animal habitats, improve educational exhibits, conserve water and energy, and increase accessibility. The purpose of this audit was to evaluate the Zoo's preparedness to implement the bond.

The audit found the Zoo was not prepared to implement the 2024 bond. Ineffective oversight led to significant changes to the first project's scope of work. As a result, the Zoo entry project that was prioritized in the 2024 Campus Plan has no budget or timeline for completion.

Performance measures were not in place to show progress on commitments made to voters. Potential measures were available for three of the seven commitments. Adequate measures were not available for the other four. Outcome measures were needed to help oversight bodies and the public understand what the bond achieved.

Processes were not in place to ensure compliance with Metro's public benefit programs. Some oversight responsibilities were not assigned. When roles were established, it was unclear if they were followed. These programs aim to improve career access, promote art and economic growth, reduce diesel emissions, and implement sustainable practices. Without refinement, Metro may not be able to deliver the intended public benefits.

Project management tools were not completed before construction started. Lack of documentation was a key weakness and could prevent the Zoo from ensuring projects will be managed consistently. Some budgeting and cost tracking processes were not finalized, and risk management tools appeared to be limited for the bond as a whole.

Finally, the Zoo may not be setting aside enough in financial contingencies based on their own guidance and lessons learned from the previous bond. This increased the risk that bond projects in the Campus Plan would not be delivered as envisioned.

The weaknesses found during the audit had three root causes. The first was ineffective controls to manage projects. The second was the scale of what the Zoo set out to accomplish. Bond funds were only expected to complete five of the eleven projects in the Campus Plan. The third was an incomplete bond team.

The audit includes 10 recommendations. Three were designed to ensure careful stewardship of public resources and encourage realistic expectations for the bond. Seven were focused on increasing transparency and accountability for Zoo bond projects.

Background

In May 2024, Metro area voters approved Ballot Measure 26-244, authorizing \$380 million in general obligation bonds (bond) for the Oregon Zoo (Zoo). The bonds provided funding for the Zoo to invest in capital improvements. The funds were intended to replace outdated animal habitats, improve educational exhibits, conserve water and energy, and increase accessibility. The ballot measure promised that a bond implementation plan would be approved by Metro Council in the fall of 2024.

The Zoo has had three previous voter-approved bond measures. The first passed in 1954. It established the Zoo and funded improvements like the railroad. The second was in 1996. It focused on the Great NW Project area. The third passed in 2008 and improved about 40% of Zoo grounds.

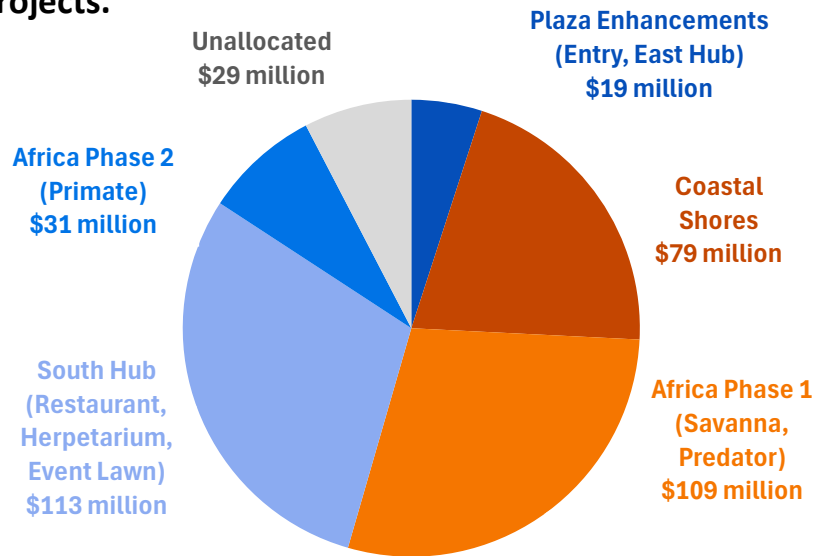
Exhibit 1 Voters have approved four bond measures to make improvements at the Zoo.



Source: Auditor's Office analysis of reported Zoo bond measures, 1954-2024, *adjusted for inflation through CY2025.

In September 2024, Metro Council approved the Campus Plan, which included five planned bond projects. Project budgets ranged from \$19 million to \$113 million. These projects were scheduled to be completed throughout the next 10-15 years. The contract for first project, Plaza Enhancements, was approved in early 2024, but construction was not expected to start until early 2026.

Exhibit 2 Bond dollars were expected to be distributed across five projects.

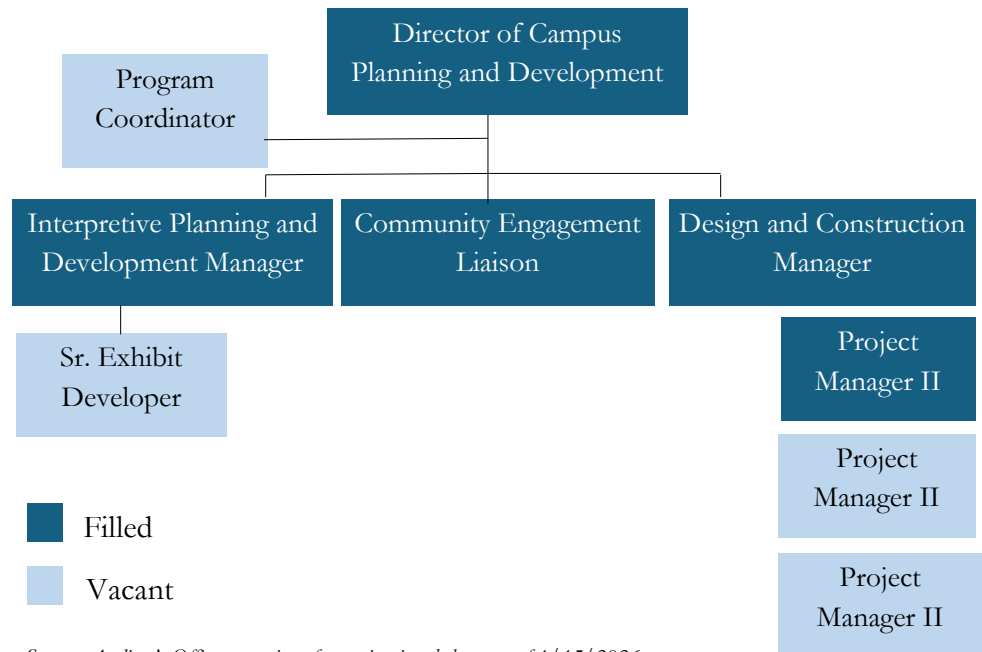


Source: Auditor's Office analysis of bond distribution by project dollars as noted in the 2024 Campus Plan.

The Zoo Campus Planning and Development team (bond team) is responsible for managing the bond's implementation. Several departments within Metro, such as Finance and Regulatory Services and Capital Asset Management, also support this work.

The Director of Campus Planning and Development and eight other positions make up the bond team. Although several key positions were filled, four were vacant as of January 2026. Recruitment was in process for three vacant positions.

Exhibit 3 The bond team was not fully formed.

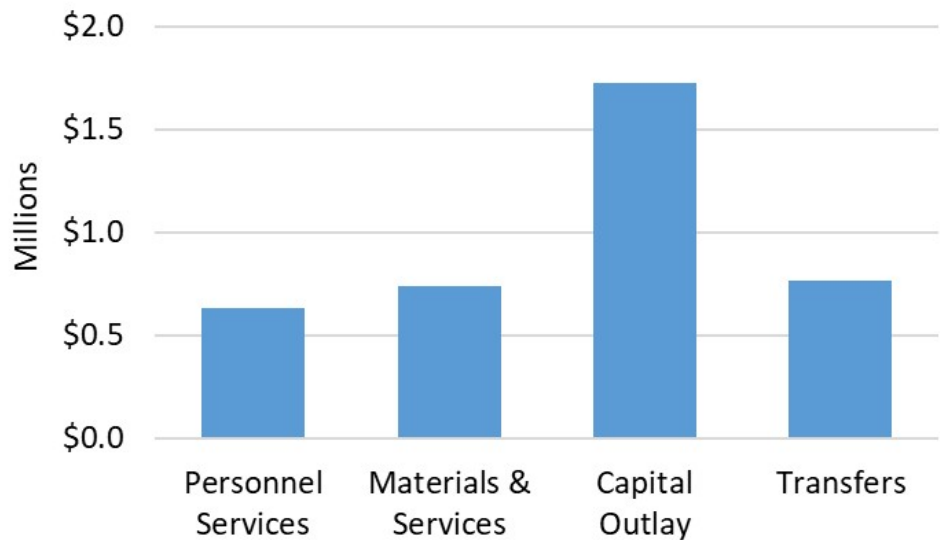


Source: Auditor's Office recreation of organizational chart, as of 1/15/2026.

The ballot measure also required a community oversight committee. Their role is to monitor bond spending and issue annual reports to the public and Metro Council. In November 2025, Metro Council appointed fifteen members to the Oregon Zoo Bond Oversight Committee. Their first meeting was in February 2026.

About \$3.8 million (1%) of the bond was spent through December 24, 2025. Personnel Services accounted for about \$600,000. Materials & Services were about \$700,000. Capital Outlay expenditure was \$1.7 million. These totals were mostly for design and construction of the first project. Transfers were about \$800,000 and represented the bond's share of Metro's central service charges, such as human resources, legal, and finance.

Exhibit 4 About \$3.8 million was spent on the bond.*

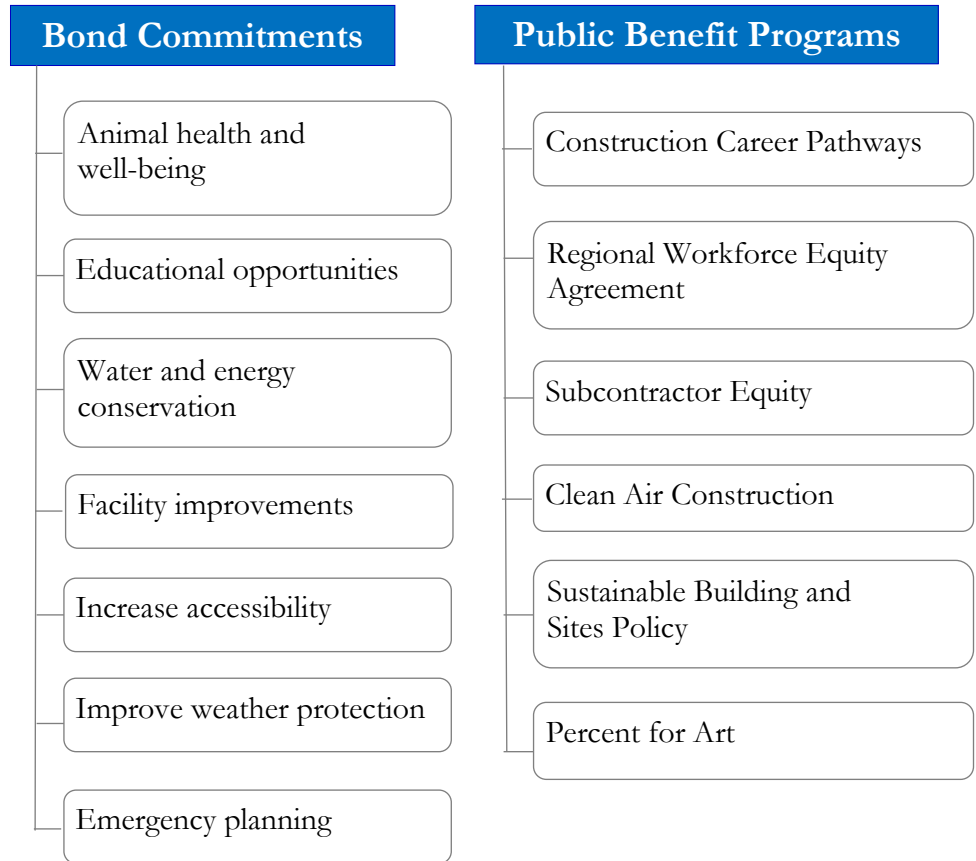


*Source: Auditor's Office analysis of PeopleSoft expenditure data for bond fund (321), after adjusting for inflation.
Expenditure data as of December, 25, 2025.

The Metro Auditor's Office conducts early implementation audits of voter-approved measures to ensure processes are in place to deliver on the promises made to voters. An audit in 2009 evaluated the Zoo's capacity to manage capital construction projects in the 2008 bond. It found weaknesses in oversight and project management. A follow-up audit in 2011 found project management processes improved.

The purpose of this audit was to evaluate the Zoo's preparedness to implement the bond. The goal was to assess the Zoo's ability to deliver on promises made to the voters, ensure Metro's public benefit programs were integrated in bond projects, and determine if processes were in place to monitor project scopes, schedules, and budgets. The bond made seven commitments. Bond projects must comply with at least six public benefit programs.

Exhibit 5 The Zoo is responsible for meeting bond commitments and integrating public benefit programs.



Source: Auditor's Office illustration of bond priorities and Metro's public benefit programs.

Results

The Zoo was not prepared to implement the 2024 bond measure. Ineffective oversight led to significant changes to the first project's scope of work. As a result, the first project will improve some areas that were built with the previous bond while the Zoo's entry that was prioritized in the 2024 Campus Plan has no budget or timeline for completion (see Appendix).

Tools to manage the bond were not finalized before construction began. The Zoo needs to strengthen its management tools to ensure the Campus Plan is followed. The weaknesses found during the audit had three root causes. The first was the absence of effective controls to manage project scopes, cost forecasts, schedules, and contingency allocations.

The second root cause was the scale of what the Zoo set out to accomplish. The eleven projects in the Campus Plan were the only public document that identified what would be completed. Bond funds were only expected to complete five of them. The remaining projects will require at least \$185 million in additional funding.

Performance measures to track progress were not finalized before construction began. The ballot measure that voters approved made seven commitments. Metro also has six public benefit programs that apply to bond projects. Delivering on these promises while staying on budget and on schedule could be a challenge.

The third root cause was an incomplete bond team. Four of the nine positions had not been filled as of January 2026. The construction manager position was particularly difficult to fill. A preferred candidate did not accept the job and another resigned. This meant some employees were carrying out responsibilities for multiple positions.

The Oversight Committee had its first meeting in February 2026. The committee will play an important role in ensuring the bond meets its commitments. To set them up for success and ensure transparency to the public, the Zoo needs to:

- Get approval from Metro Council for who has the authority to make changes to the project scopes, schedules, and budgets in the Campus Plan.
- Finalize and strengthen project management practices.
- Establish performance measures for bond commitments.
- Clarify roles and responsibilities for compliance with public benefit programs.
- Improve financial oversight.

Improvements are needed to manage commitments

More work was needed to ensure the Zoo meets commitments. On the ballot, the bond promised voters that updates would prioritize animal well-being, weather protection, sustainability, accessibility, education, and conservation. The bond also needed to integrate Metro's Public Benefits Program. These included broader commitments to ensure equitable opportunities, promote sustainable building practices, reduce emissions, and invest in art.

There was a risk that the bond could fall short of expectations if some goals get more attention than others. For example, the first project focused on increasing sustainability and expanding weather protection for guests. The first new animal exhibit was not expected to open to the public until 2030. Investing in some commitments more than others could disappoint voters and make them less likely to approve future bonds. Finalizing systems to manage these commitments will be important to deliver the vision of the 2024 Campus Plan.

Performance measures were not established

The Zoo had not established performance measures to show progress on bond commitments. Performance measures are needed to help the Oversight Committee understand how Metro fulfilled commitments to voters. Potential performance measures were available for three of the seven bond commitments. More work was needed to develop measures for the other four.




Performance measures are used to monitor program success. According to the Government Finance Officers Association (GFOA), effective performance measures should be:

- Useful: Provide information for decision making and accountability.
- Relevant: Align with what the program wants to accomplish.
- Reliable: Collection methods can be understood.
- Adequate: Include a variety of measures to provide sufficient context.
- Collectable: Are available and easy to collect.
- Consistent: Regularly collected and track progress over time.

Outcome measures may be most helpful for the Oversight Committee and public to understand what the bond achieved. Output measures show what is provided by a program while outcome measures show results. Outputs are typically easier to measure and can help managers understand if they are on track to achieve desired outcomes.

The Zoo tracked information that could be used to measure progress for three of the bond commitments. These commitments were related to animal well-being, sustainability, and conservation. Due to the technical nature of the Zoo's work, more work may be needed to communicate these measures to stakeholders and the public.

Exhibit 6 These practices could be used to measure three of the seven bond commitments

	<p><u>Animal well-being:</u></p> <ul style="list-style-type: none"> • Number of animals with improved wellbeing • Number of animal welfare action items remedied
	<p><u>Conservation:</u></p> <ul style="list-style-type: none"> • Guest association with conservation measured by guest experience survey • Number of species recovery programs at zoo
	<p><u>Sustainability:</u></p> <ul style="list-style-type: none"> • Percentage of electricity generated onsite • Amount of stormwater runoff used for new exhibits and pools

Source: Auditor’s Office analysis of potential performance measures.

The Zoo has a science-informed animal welfare research program that collects data on animal health and well-being. Information collected through this program could be used to measure the bond’s progress in improving animal health and wellbeing. One example of information that could be used for a performance measure was the number of animal welfare action items that are remedied as part of the bond work.

Another potential measure was the number of animals with improved well-being based on monitoring. We were told that wellbeing indicators and baselines were being established for animals that will be affected by the Coastal Shores project. Monitoring conducted after the animals are moved into new habitats could indicate whether wellbeing has improved.





Measures were also available for the bond’s conservation commitment. One measure focused on guest association of the Zoo with conservation, as measured by the guest experience survey. The other was the number of species recovery programs at the Zoo. There was also an opportunity to measure the number of conservation species that are visible to guests at the Zoo. This was not currently tracked but could be quantified.

Sustainability targets were outlined in the 2024 Campus Plan. Some could serve as performance measures for the sustainability commitment. Examples included the percentage of electricity generated onsite and the amount of stormwater runoff used for new exhibits. The stormwater measure would likely require new meters in each exhibit. Updating metering and tracking systems could increase the Zoo’s ability to track sustainability measures.

More work was needed on four commitments

Performance measures for four of the bond commitments will require more work. We did not find adequate measures available for education, accessibility, weather protection, and animal care in an emergency. Data to measure these commitments may require time and resources to collect or analyze.

Exhibit 7 More work was needed to develop performance measures for four bond commitments.

	<p>Improve facilities to enhance educational opportunities for children and other visitors to learn about animals and habitat conservation.</p>
	<p>Increase accessibility for visitors of all abilities, including improved paths and exhibits.</p>
	<p>Improve protection from heat and extreme weather for animals and visitors.</p>
	<p>Improve facilities to prepare for animal care in a natural disaster or emergency.</p>

Source: Auditor’s Office analysis of potential performance measures.

The Zoo tracked the number of educational moments with guests. However, this potential performance measure did not directly tie back to the bond and had a risk of encouraging quantity over quality. To measure the bond’s education commitment, the Zoo could conduct baseline measurements of current exhibits to measure visitor engagement.

In the past, the Zoo conducted an evaluation of the Polar Passage exhibit that was constructed as part of the 2008 bond. This evaluation collected data such as visitor experience and the time visitors spent at the exhibit. If done for current and new exhibits, this could provide evidence of the bond’s impact on the educational experience of visitors. Aspects of existing exhibits, such as the number of tactile elements, could also be quantified. Future exhibit content could be compared to the exhibits they are replacing to show bond’s impact on educational content.

To measure the bond’s accessibility commitment, the Zoo could use existing accessibility assessments. The Zoo’s Accessibility Transition Plan provides an opportunity to track the number of identified Americans with Disabilities Act (ADA)-related barriers removed as part of the bond work. The Zoo used a spreadsheet to track barriers, but it was outdated. If updated, it could be used to track progress against a baseline of barriers that have yet to be addressed. The Zoo could also use guest survey comments related to accessibility to develop an outcome measure. For example, the percentage of

positive guest comments related to accessibility at the Zoo could be measured over time to show bond impact.

To measure the bond's weather protection commitment, the Zoo could establish baselines for shelter added. The Zoo tracked the square feet of visitor shelter added but baseline data was unavailable. This measure could be more effective if change could be expressed as a percentage of overall visitor shelter at the Zoo.

There are data points that could demonstrate whether the bond improved weather protection for animals. One potential measure was the number of animal species with improved outdoor access due to improved weather protection. This could be done using weather guidance for animals. Temperature monitoring data could also be used to measure the percentage of time that an exhibit was in an ideal temperature range.

We did not identify any measures currently tracked for the bond's animal care in an emergency commitment. Two potential output measures were the number of kilowatts of backup generator energy and the square feet of indoor temperature-controlled emergency animal holding areas added.

Improve monitoring of Metro's Public Benefit Programs

Processes were not in place to ensure compliance with Metro's public benefit programs. Some programs aim to improve access to careers in the construction field and promote economic growth in the region. Others seek to reduce diesel emissions, promote public art, and implement sustainable building practices. Without refinement, Metro may not be able to deliver the intended public benefits.

Processes to integrate Metro's public benefit programs into bond projects were established, however those needed to monitor compliance were not fully developed. For example, Metro's programs were included in bid solicitations, which provided interested contractors with information about each program. While that ensured expectations were known, efforts to identify the bond team's responsibilities were still being developed.

Exhibit 8 Several public benefit programs apply to bond projects.

Construction Career Pathways	Regional Workforce Equity Agreement
Ensures money spent on local public improvement benefit local communities	Fosters the diverse workforce through use of workforce diversity goals
Subcontractor Equity	Clean Air Construction
Provides equitable opportunities to participate in subcontract opportunities	Reduces the effects of diesel pollution
Sustainable Building and Sites Policy	Percent for Art
Implements standards for design, construction, operations, and maintenance	Devotes one percent of construction costs to art

Source: Auditor's Office summary of Metro's public benefit programs.

Clarify roles and responsibilities to strengthen oversight

Some oversight responsibilities had not been assigned. For example, it was unclear who would be responsible for monitoring compliance with reporting requirements. The Construction Career Pathways and Regional Workforce Equity Agreement programs require contractors report the distribution of labor hours worked under each contract. The Subcontractor Equity program requires contractors report the distribution of contract dollars to minority and women-owned businesses. Although staff were aware of the reporting requirements, roles and responsibilities were not assigned. Some employees felt the bond team was responsible and others felt contractors were responsible.

Even when roles were established, it was unclear if they were followed. For example, for the Clean Air Construction program, vehicles were supposed to be registered in the tracking system when onsite work was approved. Employees thought the requirement was based on when construction started. The difference between these two dates for the first project was about a year. Early work was approved in February 2025. Construction was not scheduled to start until January 2026. The bond team had to follow up with the contractor in March 2026, after the early work was completed to determine what types of vehicles were used. For future projects, it will be important to set deadlines to match the program's guidance.

Project management tools were not finalized

Another example of misalignment with program requirements was related to the Sustainable Building and Sites Policy. The policy sets certification requirements by structure. However, the checklist tracked requirements by project. The first project initially included two structures: an attached deck and a plaza. A third structure was added later. As a result, planning documents were not set up to track compliance at the right level of detail.

The budget documents we reviewed did not track the Percent for Art allocations. For example, construction costs for the first two projects were estimated at \$83 million. We expected at least \$830,000 would be budgeted for art. This was not evident in budget documents.

The bond’s project management tools were not fully developed before construction started. Project management tools are documents or practices used to manage the scope, schedule, and budget for construction. Tools are needed to manage projects and the overall bond program. Consistent management practices are important to ensure projects stay on budget and meet bond commitments. It will be important to finalize them to ensure consistency as new employees join the bond team.

Aligning tools with project management best practices can increase efficiency and improve outcomes. The Project Management Institute provides guidelines for managing complex projects. There is no one-size-fits-all project management approach. Practices should be tailored based on project risk and complexity.

The bond team made progress during the audit to establish tools. Some processes were in place to manage the areas of project management we reviewed. However, most tools were still being developed, and some needed refinement. This was because the bond team was incomplete and had not fully developed their project management framework ahead of construction. The Zoo should finalize project management tools now to ensure the public, oversight bodies, and internal stakeholders have sufficient information to understand the status of bond implementation.

Exhibit 9 Tools were available for the categories of program and project management reviewed, but some were in template or draft form.

Category	Description
Alignment	Coordinates activities to achieve goals
Scope	Ensures the project includes only the required work
Schedule	Manages timely project completion
Cost	Ensures project is completed within budget
Governance	Manages resources and identifies decision-making structures
Stakeholder	Identifies stakeholder needs and manages communications
Risk	Helps plan, monitor, and respond to risk

Source: Auditor’s Office interpretation of Project Management Institute program and project management standards.

Several processes lacked documentation

Lack of process documentation was a key weakness of the bond's project management framework. Alignment tools to coordinate activities were present, but some were in draft form and one was a template that did not appear to be in use yet. Additionally, several gaps remained. Without appropriate tools in place, the Zoo cannot ensure projects will be consistently managed during the life of the bond.

The implementation plan to manage the bond was not in place. A document that outlined processes for implementing the bond was in draft form. Another document that planned to outline the bond's scope, schedule, and budget was not yet drafted. We were told that it was not expected to be adopted until after the start of construction.

Processes to manage project scope, schedule, change, and costs were lacking. The bond's Project Brief template did not include scope, schedule, change, or cost management plans. Project management plans typically outline the processes that project managers should follow when addressing risks in each category. Additionally, the Project Brief was focused on defining scope before projects started. There is a need for a tool to manage activities throughout the life of the project, or to adapt the Project Brief to fill this role.

Other processes were unclear. This increased the risk of inconsistency when new employees join the bond team. Inconsistencies can lead to inefficiencies and increased costs. For example, there was not a process to formally document lessons learned throughout the project. Documenting and sharing lessons as they arise could help prevent repeated mistakes.

It was also unclear how and where bond documents were supposed to be stored. Bond team members stated that the Zoo's shared drive was the primary location for bond documents. However, files for the first project were stored in another location. There was a lack of clarity on how files for the first project would be handled moving forward. We did not find up-to-date written guidance for file storage. Incomplete information can reduce transparency for internal stakeholders and oversight bodies.

Communication plans had not been finalized

The bond communication plan was not finalized as of October 2025. Finalizing and implementing the communication plan could ensure all stakeholders have access to the information they need to fulfill their roles. Bond implementation will impact several areas across the Zoo. Metro Council and the Oversight Committee need sufficient information to ensure that projects deliver on the promises made to voters. Formal processes to communicate with bond stakeholders were needed to ensure internal and external stakeholder concerns are consistently understood and addressed. Management stated that the communication plan was completed as of February 2026.

Some budgeting and cost tracking processes were not finalized

Approaches for budgeting and tracking bond costs were not finalized. Financial management of bond funds is a shared responsibility between the bond team and Metro's finance department. We found:

- A lack of clarity about what information the bond team should be tracking, such as time toward specific projects.
- Uncertainty about how to estimate Metro's central service costs.
- A tool to track the overall budget for the bond had not been finalized.

These limitations created an increased risk for budget planning. The bond team should clarify these budgeting expectations with Metro's finance department and finalize budget tracking tools.

Processes to manage some bond risks were limited

Risk management tools were available for projects but appeared to be limited for the bond as a whole. This mattered because there could be bond risks that would not be accounted for in project-level risk assessments. Examples include risks associated with project interdependencies or assessing tradeoffs related to cost escalation. Overlooking complex risks that are beyond the scope of the project-level risk assessment could result in cost overruns or schedule delays. Documenting and planning for risk at the bond level is necessary to improve the program's ability to monitor and respond to risk.

Improve processes to manage financial contingencies

The Zoo may not be setting enough financial reserves (contingencies) aside based on their own guidance and lessons learned from the previous bond. This increased the risk that the Zoo may not be able to complete the bond's planned projects or may deliver smaller projects than what was envisioned in the Campus Plan.

The bond's contingency guidance was approved about seven months after work on the first bond project was approved. The contingencies were established to serve two purposes. The program contingency was intended to ensure flexibility required for evolving conditions and maintain fiscal responsibility. The project contingency was intended to manage potential risks related to each project.

Contingencies did not align with guidance

The amount of funding set aside was less than we expected based on the Zoo's contingency guidance. We applied the guidance to existing budgets to determine whether current contingency was aligned with expectations. Program contingency was supposed to set aside 10% of the bond amount, or \$38 million. However, the program contingency was only \$29 million or 8%.

Most bond projects were not underway, which meant testing of the project contingencies was limited. According to the guidance, project contingency was set at a baseline of 18%. The Plaza Project's budget was initially \$19 million. Based on their guidance, project-level contingency would be \$3.42 million. However, the Project Concept Form noted that planned costs were \$17.325 million. That meant about \$1.675 million, or 9%, was available for project-level contingency.

Exhibit 10 Bond contingencies were below the policy guidance.

Contingency Type	Budget	Guidance		Actual		(Short)/ Over
		Rate	Contingency	Rate	Contingency	
Program	\$380,000,000	10%	\$38,000,000	8%	\$29,000,000	(\$9,000,000)
Project— Plazas	\$19,000,000	18%	\$3,420,000	9%	\$1,675,000	(\$1,745,000)

Source: Auditor’s Office illustration of contingency shortages as of October 24, 2025.

The program budget indicated that management assumed the Zoo would receive additional revenue to complete bond projects. About \$56.5 million was expected from other resources. That included \$20 million from bond premiums, \$6.5 million from interest income, and another \$30 million from donations. If all additional revenue is received, it could cover the \$10 million contingency shortfall. However, caution should be taken because the 2008 bond’s additional revenue was about \$28 million, which is about half of what the Zoo currently estimates for the 2024 bond.

The combination of program underfunding and project underfunding increased overall risks. If the 18% baseline is the starting reserve, then contingencies for the first project were not only less than expected, but may not have incorporated added risk factors.

The first project may include five structures. According to internal guidance, having a series of related projects and need to incorporate sustainable building standards can impact complexity. Additionally, a staff report noted that public facing construction sites can also increase risks. Part of the first project is located at the Zoo entrance which could justify the added factor. It was not clear if the current contingency was sufficient to cover the added risks.

Additionally, change orders were a risk factor in the 2008 bond but were not included in the contingency consideration factors for 2024 bond projects. We reviewed a sample of contracts from 2008 to understand how total costs changed. We found costs increased by an average of 24%. This is about six percentage points higher than the current baseline project contingency. If current bond projects increased at the same or similar rate, contingencies may be insufficient to absorb additional costs.

Consider tradeoffs when managing project level risk

Analyzing risks early could help management and the Oversight Committee understand tradeoffs. Based on the prior bond, management considered several options to address costs that came in over budget. Generally, there are two approaches, either expand the budget to maintain the scale of the project as initially envisioned or modify the project scope to fit within the budgeted amount. In practice, some combination of both approaches has been used.

For example, when the Education Center was constructed under the 2008 bond, costs came in over budget. Instead of reducing the project scope, less costly materials were used. The Zoo also used contingencies to increase the budget for that project so that the integrity of the promise made to voters was maintained.

A comparable situation arose in the 2024 bond, but a different approach was taken. The first project was slated to include a 29,500 square foot area of open and covered space near the Zoo entry. We were told the initial costs were projected to be about \$6 million over budget. To address the overage in this case, the project scope impacting the entry was reduced significantly. As a result, the first bond funded project will look significantly different than what was included in the Campus Plan.

Exhibit 11 The Zoo entry project shrank by 86% due to insufficient funds.

Campus Plan



After Scope Change



Source: Auditor's Office review of Campus Plan, OZ Cascade Crest Deck, 100% Design Development Documents dated May 21, 2025, and Contract 939656 Amendment 1, dated May 16, 2025.

Align contingency guidance with best practices to deliver projects as promised

In addition to not being used, the guidance did not align with best practices for setting contingencies. As such, even if the guidance is used in the future, it may not result in sufficient financial reserves to manage cost changes. The project contingency guidance fell short in two areas when compared to best practices. The first was related to the 18% baseline factor. The second was related to the risk factors used to adjust the baseline.

Based on our review of best practices, we identified five principles that contingencies should meet to be effective. They should be well-documented, in line with risks, consistent with purpose, built into cost estimates, and managed. This can help those involved with oversight, such as the Oversight Committee and Metro Council, manage future risks and support decisions about funding priorities.

The guidance did not indicate when to set aside more than the 18% baseline or how initial decisions were made. An approach is considered well-documented when it includes the source information and steps taken to reach the stated contingency. The current contingency approach may not be as effective without an understanding of the baseline. There was no guidance in place to help project managers know when additional contingencies should be set aside because of project specific risks. This could impair decision making when evaluating new risks or duplicate funding for risks that were already considered.

There was no indication of how risks were incorporated into contingency decisions. Although management documented some project-level risks, we were told processes to implement their use were not in place. According to management, a tool was being developed but a timeline was not mentioned. This could reduce the likelihood that their tool would be used to do project level risk analysis during budgeting.

According to the guidelines, project-level contingency could vary based on the following risk factors:

- Project complexity (e.g., structural elements, animal habitats),
- Clarity and completeness of the Project Brief,
- Location within the Zoo grounds, and
- Current inflation rates and tariff impacts.

Some risks were documented in a project management plan for the first project. It included a numerical scale but did not state how the scale would be used to adjust the budget. That document was discontinued and replaced by a project brief. This was problematic because the project brief did not contain any guidance regarding contingency risks. When assumptions about risks are not documented it makes it difficult to know if the baseline amount is sufficient.

Exhibit 12 Metro had tools to support decisions related to risks, but they were not used.

Scale	Probability	Impact
High (3)	This happened recently. This always happens to some extent with these projects.	If this happens budget and/or schedule and/or scope will have to be adjusted. This risk will cost us money to mitigate.
Medium (2)	This happened once before. Other project managers tell me to be on guard for this happening.	If this happens we'll have to adjust the schedule, but can probably recover fairly quickly. Costs should be minimal.
Low (1)	This could possibly happen and we want to keep the risk on the watch list.	This will not cause us to adjust budget, schedule, or scope but we would need to exert some extra effort to mitigate.

Source: Draft Project Management Plan for Entry/Polar dated November 1, 2024.

Recommendations

To ensure careful stewardship of public resources and encourage realistic expectations for the Zoo Bond, the General Manager of Visitor Venues, Zoo Director, and Director of Campus Planning and Development should:

1. Document bond governance including clearly delineated roles, responsibilities, and lines of authority, and get approval from Metro Council.
2. Develop performance measures including baseline measures and desired targets that address all seven bond commitments.
3. Establish a periodic reporting mechanism that provides the public, oversight committee, and Metro Council with current and accurate information on cost, schedule, and variances by project and for the bond as a whole.

To increase transparency and accountability for Zoo bond projects, the Director of Campus Planning and Development, and the Design and Construction Manager should:

4. Complete project management plans or project briefs for each project in the bond implementation plan.
5. Get approval for each project plan or brief before design and construction begins.
6. Develop a change management process to ensure changes to projects are approved by the right authority.
7. Document how project specific risks were used to inform budgets and financial contingencies.
8. Develop a consistent system to maintain project documentation.
9. Assign responsibility to a specific position(s) for managing compliance with each of Metro's Public Benefits Program.
10. Make sure Public Benefit Program requirements are accurately communicated to each position identified in recommendation nine.

Scope and methodology

The purpose of this audit was to evaluate the Zoo's preparedness to carry out the bond and deliver on bond and agencywide commitments. The objectives of this audit were to:

1. Identify opportunities to measure bond commitments.
2. Determine how agencywide commitments had been integrated into bond projects.
3. Determine whether project management practices were in place to plan and execute the bond.
4. Determine whether best practices to manage financial contingencies were followed.

To familiarize ourselves with the bond program and identify our audit objectives, we interviewed Zoo management and staff. We talked to Metro employees with roles in the bond and representatives from the Oregon Zoo Foundation. We reviewed planning documents, adopted budgets, enabling laws and regulatory requirements, management reports, expenditures and staffing levels, prior audits, and other relevant literature. We also participated in a tour of the zoo grounds with management and staff.

To meet our first objective, we identified best practices to guide the development of performance measures. We also reviewed bond language and relevant professional literature to determine relevancy of potential measures. We conducted interviews to identify information the Zoo tracked that was related to the seven bond commitments. We reviewed associated documentation, including assessments, customer experience surveys, planning documents, guidelines, and reports. We evaluated up to three measures for each bond commitment. When there were more than three available, we selected measures for evaluation based on their relevance, potential feasibility of data collection, and the quality of information. We then evaluated these measures based on best practices outlined by the Government Finance Officers Association.

To meet our second objective, we reviewed program requirements and staff responsibilities, as well as desired outcomes for each program. We interviewed staff to learn about planned and in-place practices. We assessed their alignment with program requirements and best practices.

To evaluate project management, we reviewed guidance from the Project Management Institute to develop criteria. We conducted interviews with bond team staff and reviewed documentation that included tool templates and planning documents. We then evaluated project management tools and practices being used for the bond and bond projects to assess their alignment with best practices.

To meet our fourth objective, we reviewed best practices to identify guidance related to contingencies. We evaluated program and project budgets for each bond. To evaluate the program and estimated project budgets for the 2024 bond, we reviewed budgeted allocations dated June 4,

2025. To evaluate the first project, we reviewed budget documents dated September 8, 2025.

For the 2008 bond, we evaluated changes in project costs and change orders, after adjusting for inflation. We selected three contracts to evaluate project budget changes. The contracts were selected using a stratified random selection process. From the three sample contracts, we selected a sample of change orders by determining the midpoint between the first and last change order based on date, then selected contracts before and/or after that date as the sample. The purpose of this review was to understand the types and frequency of changes. Neither sample was statistically significant so the results cannot be assumed to be representative of all 2008 projects and change orders.

This audit was included in the FY 2024-2025 audit schedule. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix: Bond Implementation Timeline

Italics = Control weaknesses that reduce Metro's ability to ensure projects stay within scope, schedule, and budget.

Date	Event	Significance
5/21/24	Votes approved Oregon Zoo Bond Measure 26-244	Measure provided \$380 million for improvements based on seven commitments. Spending was to be overseen by an oversight committee. Explanatory statement said an implementation plan would be approved by Metro Council by fall 2024.
6/21/24	Proposals for design of the first bond project due	The project name for both procurements was Oregon Zoo Entry Plaza and Polar Plaza Shelter. <i>Contracting process should not have happened before the implementation plan was approved with project scopes, schedules, and budgets.</i>
7/18/24	Council authorized procurement for a construction manager/general contractor for the first bond project	
9/26/24	Campus Plan approved by Council	The plan included a one-page phasing and implementation plan that listed five projects expected to be completed with bond funds. It also included six other “projects of opportunity” that would cost \$185 million more than what bond funds would provide. The first bond funded projects that were expected to be completed in year one and two were plaza enhancements at the entry and east hub. Entry improvements were summarized: “Redevelopment of the existing zoo entry to improve accessibility, flow, and overall arrival experience. The plaza will be transformed into an inviting and intuitive space inspired by the local forest and mountain views. The design includes shade canopies, seating, and framed views of mountain goats, while also integrating existing architectural elements and native Pacific Northwest plantings.” East Hub improvement were summarized as: “Recently completed as part of Elephant Lands and Polar Passage, the East Hub shall be enhanced with permanent architectural shelters for flexible use between daily guest picnics and after-hours private events. At the knoll north of the Elephant South Habitat, a new children’s adventure playground is envisioned offering climbing opportunities and themed elements related to nearby animal species providing an engaging and unique experience for families.”
10/22/24	Design contract awarded for first project	The winning proposal stated: “The following scope of work and lump sum fee are based upon an approximate site area of 29,500 square feet and an estimated construction cost of \$9,000,000 for the Entry Plaza, and approximate site area of 13,000 square feet and an estimated construction cost of \$5,500,000 for the Polar Plaza.” Maximum design costs were about \$1.93 million. <i>Contract was awarded before Council approved an amendment to Metro’s budget for bond funded projects.</i>

11/21/24	Council approved an amendment to Metro’s budget related to Zoo bond projects	<p>Two Zoo bond funded projects added to Metro’s budget:</p> <ul style="list-style-type: none"> • Zoo Front Entrance Plaza (ZB2405) • Annex Office Space Remodel (ZB2406) <p><i>The Front Entrance Plaza project appears to align with the Campus Plan. It’s unclear whether the Annex Office Space Remodel project was included in the Campus Plan.</i></p>
12/17/24	Construction contract for first project signed	<p>Contract was for the Oregon Zoo Entry Plaza and Polar Plaza project. The maximum amount was not listed in the contract. It was expected to be set through amendments. About \$79,000 in preconstruction fees were approved at this time.</p>
2/11/25	Zoo notified design contractor that scope of work for Oregon Zoo Entry Plaza and Polar Plaza Shelter changed	<p>Contract documents stated that “The Entry Plaza design was put on hold while the Zoo developed the new scope requirements.”</p> <p><i>Authority to approve changes to bond project scopes of work or the Campus Plan were not documented at this time.</i></p>
2/28/25	1 st amendment to construction contract approved	<p>Approved about \$141,000 for early work on the Zoo Entry Plaza and Polar Plaza Shelter project. This brought the total value to about \$220,000.</p>
3/17/25	Zoo notified design contractor of new scope of work for Entry part of the Oregon Zoo Entry Plaza and Polar Plaza Shelter project	<p>Contract documents stated that “The Zoo provided the new program for the Entry at the March 17, 2025 site walk, and revised budgets for both projects on March 19, 2025. The Design Team worked with both the Zoo and CMGC to validate the budgets against the new program/concept at the Cascade Crest deck and the value engineering ideas at Polar Plaza.”</p> <p><i>The project’s scope of work changed to focus on a deck at Cascade Crest Grill. Authority to approve changes to bond project scopes of work or the Campus Plan were not documented at this time.</i></p>
4/11/25	Zoo approved redesign of the Entry part of the Oregon Zoo Entry Plaza and Polar Plaza Shelter project	<p>Contract documents stated that the “Zoo approved the Design Team to proceed with redesign of the Entry and development of the Polar Plaza.”</p> <p><i>Authority to approve changes to bond project scopes of work or the Campus Plan were not documented at this time.</i></p>

5/20/25	1 st amendment to Oregon Zoo Entry Plaza and Polar Plaza Shelter design contract approved	<p>Amendment reduced the maximum payment by about \$67,000 to about \$1.86 million. “The following revised scope of work and lump sum fee are based upon an approximate site area of 29,500 4,000 square feet with a an estimated construction cost of \$9,000,000 \$1,600,000 budget for the Entry Plaza, and approximate site area of 13,000 square feet and a an estimated construction cost of \$5,500,000 \$7,000,000 budget for the Polar Plaza.”</p> <p><i>The changes reduced the budget and scope of work for the Entry part of the project by 86%. It also increased the budget for the Polar Plaza but did not increase the size. Authority to approve changes to bond project scopes of work or the Campus Plan were not documented at this time.</i></p>
6/9/25	2 nd amendment to design contract approved	Amendment reduced the maximum payment by about \$25,000. The revised total was about \$1.9 million.
6/12/25	Council adopted FY25-26 budget	Zoo Front Entrance Plaza (ZB2405) project renamed as Entry Plaza/Polar Plaza. The renamed project appears to have expanded the scope of work to include improvements that were originally included in a non-bond funded project called Polar-Growlers-Elephants Plaza Structure (ZOO160).
6/26/25	Council approved an amendment to Metro’s budget related to Zoo bond projects	Amendment switched project numbers for bond funded projects. Zoo Entrance Plaza became ZB2406 (formerly ZB2405). Annex Office Space became ZB2405 (formerly ZB2406).
9/10/25	3 rd amendment to design contract approved	Amendment added about \$8,600 to the maximum payment. The revised total was about \$1.913 million.
10/16/25	Zoo Director approved the Bond Expenditure Decision-Making Structure	<p>Document says Metro Council “Approves the bond implementation plan, including project scopes, cost forecasts, schedules, and contingency allocations.” It said the Director of Campus Planning and Development would prepare the bond implementation plan. The document also said Council had authority to approve new projects when budget authority was needed. If no new funding was needed, it said the Zoo Director had authority to make changes and listed dollar thresholds that require updates throughout the fiscal year.</p> <p><i>The document implied that the Campus Plan was not considered to be the bond implementation plan as of October 2025. The criteria outlined in the decision-making structure did not provide effective oversight. The Zoo Director should not be able to approve their own authority level. Metro’s budget for capital projects like those funded by Zoo bonds is only for one year. As such, budget authority was not an effective control for the Zoo bond project budgets and scopes of work which take several years to complete. In addition, the decision-making structure provided no information about who had authority to change the Campus Plan and/or the bond implementation plan. Changes by Zoo leadership to the first project’s scope of work were not aligned with the Campus Plan.</i></p>

11/20/25	Council approved an amendment to Metro’s budget related to Zoo bond projects	<p>Annex Office Space Remodel (previously listed as ZB2406) project renamed as Zoo Plazas. All funding from Front Entry Plaza/Polar Plaza (incorrectly listed as ZB2405) was removed. At that time, \$11.7 million was added to the Zoo Plazas project. This project appears to have expanded the scope of work to include Elephant Plaza that was originally included in a non-bond funded project called Polar-Growlers-Elephants Plaza Structure (ZOO160).</p> <p><i>The amendment was not transparent. No information about the many changes to the first bond funded project’s scopes of work since it was originally approved in the budget in November 2024 was presented. No information about the addition of work at Elephant Plaza was presented. No information about the project’s alignment with the Campus Plan was presented. At this time, authority to approve changes to the Campus Plan were not documented.</i></p>
12/12/25	2 nd Amendment to construction contract approved	<p>Amendment set a maximum price at about \$9.7 million for the Cascade Crest Deck and Polar Plaza Shelter project. Contract does not appear to include the Elephant Plaza portion of the first project.</p> <p><i>Amendment changed the project name. “Oregon Zoo Entry Plaza and Polar Plaza” was what potential contractors submitted proposals for. To comply with procurement rules, Metro would need to determine that the two scopes of work were reasonably related to avoid restarting the procurement process.</i></p>
1/26/26	Construction permit approved for the Zoo Plazas project	<p>The construction contract stated that the Cascade Deck and Polar Plaza parts of the project were expected to be completed in September 2026. Design of the Elephant Plaza part of the project was not complete at this time, and no budget had been approved. The design contract stated that construction on Elephant Plaza would start in January 2027 and be completed by September 2027.</p>
1/9/26	4 th amendment to design contract approved	<p>Amendment added about \$38,000 to the maximum payment for the Zoo Plazas (ZB2406) project. The revised total was \$1.95 million.</p>
1/28/26	Unauthorized purchase for design work approved	<p>Unauthorized purchases are considered “allowable noncompliance” with Metro’s procurement rules. The memo was required before the 5th amendment to the design contract could be signed because the value of the contract exceeded 125% of the original contract award.</p>
1/30/26	5 th amendment to design contract approved	<p>Amendment added about \$835,000 to the maximum payment for the Elephant Plaza part of the Zoo Plazas (ZB2406) project. The revised total was about \$2.79 million.</p>

2/12/26	Metro Auditor met with Zoo Director	<p>Metro Auditor raised concerns about bond governance and whether changes to the first bond funded project were approved by the appropriate authority. Zoo Director agreed to send information.</p> <p><i>Metro Auditor requested a timely response because the first Oversight Committee was scheduled for 2/18/26 and the Zoo planned to seek approval from Council for a construction contract for the second bond funded project called Central Hub (the Campus Plan lists this project as Coastal Shores \$79 million) on 2/19/26.</i></p>
2/17/26	Zoo management sent a memo about changes to the first project's scope of work to the Oversight Committee	<p>Memo changed the name of the project's elements to Wildlife Pavilion (formerly Polar Plaza) and Cascade Terrace (formerly Cascade Deck). It listed changes to the first project that were not aligned with the Campus Plan such as the lack of movable walls at Polar Plaza and limited changes at the Zoo entry. Memo stated the Zoo expected to provide a detailed scope, budget, design, and construction between April 2026 and June 2027 for improvements at the Zoo entry.</p>
2/18/26	First Zoo Bond Oversight Committee meeting	<p>Oversight Committee members questioned whether changes to the first project were aligned with the Campus Plan and requested more information about the Zoo's explanations for the scope changes.</p>
2/23/26	Metro Auditor sent draft audit report to Zoo leadership	<p>Draft audit recommended that a governing structure be adopted to improve oversight of bond projects and ensure alignment with the Campus Plan.</p>
2/25/26	Zoo Director emailed Metro Auditor	<p>Email stated that the Campus Plan included the bond implementation plan ("the what") and stated that a separate framework is being refined by the Zoo to address "the how."</p> <p><i>Construction on the first project had already started at this time and the Zoo was starting to contract for the second project before the framework was in place. At this time, authority to approve changes to the Campus Plan were not documented.</i></p>

Management response



Memo

Date: April 17, 2026
To: Brian Evans, Metro Auditor
From: Marissa Madrigal, Chief Operating Officer
Craig Stroud, General Manager Visitor Venues
Heidi Rahn, Oregon Zoo Director
Subject: Zoo Bond Implementation Audit

Introduction

Auditor Evans,

We appreciate your assessment of our readiness to fulfill the commitments of the 2024 Zoo Bond and Metro’s public benefit programs. We agree that strong governance, transparent reporting and effective project management are foundational to delivering these outcomes. This response details actions already taken, clarifies findings and outlines planned improvements to ensure successful implementation.

Background and Progress

Metro has recent experience implementing bond-funded capital projects at the Oregon Zoo and successfully delivered on all commitments and appropriately spent all proceeds from the \$125 million 2008 Zoo Bond. That bond reimagined about 40% of the zoo campus with expenditures from all sources totaling around \$154 million.

Building on recommendations from the “2008 Zoo Bond Oversight Committee’s final program report”, the zoo developed a new campus plan to optimize its approach to the next phase of development and potential bond implementation. This plan was informed by extensive stakeholder input and supported by professional cost estimating of project concepts. It is important to note that this planning work was completed prior to referring the 2024 Zoo Bond to voters. Projects were prioritized and selected for implementation based on regulatory and operational needs, guest feedback and feasibility. In May 2024, voters approved ballot measure 26-244, which authorized \$380 million of bond funding for zoo capital projects. In June 2024, the City of Portland granted necessary land-use approvals, and in September 2024 the Metro Council approved the campus plan, establishing project scopes, sequencing and cost estimates. The combination of voter-approved bond funding, city land-use approvals and Metro Council–approved campus plan provided a clear direction to proceed.

With these important conditions in place, the zoo began assembling a project delivery team and leveraging Metro’s existing capital project resources to launch implementation. As of April 2026, the Campus Planning and Development team is almost fully staffed, processes and procedures have been developed or are in refinement, and the zoo is delivering on bond commitments with construction of the first two Plaza Enhancements subprojects, Cascade Terrace and Wildlife Pavilion. The third subproject, Elephant Plaza, is in the conceptual design phase, and the fourth subproject, Front Entrance Gate, is being scoped.

Response to Audit Results

We generally agree with the Auditor’s recommendations: While much progress has been made to successfully launch the bond program, further refinement of structures, processes and staffing will strengthen these efforts. We appreciate that the audit was conducted early in the program’s development, and that the findings were shared during construction of the first project—Plaza Enhancements. With a decade or more of design, construction, and spending to go, the timing allows us to leverage these recommendations as we implement more complex projects.

Management differs on some of the underlying conditions contributing to the auditor’s conclusions. The audit states that the zoo “was not prepared to implement the 2024 bond measure” in part due to “the scale of what the Zoo set out to accomplish,” noting that “Bond funds were only expected to complete five” of the 11 projects in the campus plan.

We believe the scale is appropriate. The campus plan clearly identifies five projects to be prioritized: Plaza Enhancements, Coastal Shores, Africa Phase I, South Hub and Africa Phase 2. The other six projects are characterized as “Projects of Opportunity or Beyond 15 years.” Significant analysis and deliberation were undertaken to prioritize projects that could be delivered using bond resources while maintaining a high-quality zoo experience, addressing critical operational and infrastructure needs, and balancing investments among animal habitats, sustainable infrastructure and guest services.

Although unfilled team roles presented challenges during the program startup, this was to be expected; hiring is a strategic and often linear process where more senior roles are filled first. The zoo has a strong leadership and technical team in place, with eight of the nine positions filled and recruitment underway for the final role. In addition, the zoo director, Metro’s general manager of visitor venues, Metro’s chief financial officer, the Metro attorney assigned to the zoo, and a zoo construction project manager—each of whom contributed significantly to the successful 2008 bond outcomes—continue to provide leadership and oversight.

The audit report includes a lot of detail about the design and construction process for the first project, Plaza Enhancements (Entry and East Hub), which is comprised of four subprojects. Each project has a budget and schedule; however, the audit states, “Ineffective oversight led to significant changes to the first project’s scope of work. As a result ... the Zoo’s entry that was prioritized in the 2024 Campus Plan has no budget or timeline for completion.”

The following table identifies the budgets and timelines:

Subproject	Budget*	Timeline
Cascade Terrace (at entry)	\$13,200,000	Construction complete July 2026
Wildlife Pavilion	(included in above)	Construction complete August 2026
Elephant Plaza	\$4,650,000	Construction complete summer 2027
Zoo Entrance Gate	\$650,000	Currently scoping, construction to be completed no later than summer 2027
Remaining Contingency	\$500,000	
Plaza Enhancements Total	\$19,000,000	

*Subproject budgets include contingency funds

The 2024 Oregon Zoo bond ballot measure made seven commitments listed in Exhibit 5 of the audit report. The Plaza Enhancements collectively advance the following commitments:

- Conserve water and energy in operations and update infrastructure.
- Increase accessibility for guests of all abilities, including improved paths and exhibits.
- Improve protection from heat and extreme weather for animals and zoo guests.

The adopted campus plan includes the following language for the Entry Plaza:

Redevelopment of the existing zoo entry to improve accessibility, flow, and overall arrival experience. The plaza will be transformed into an inviting and intuitive space inspired by the local forest and mountain views. The design includes shade canopies, seating, and framed views of mountain goats, while also integrating existing architectural elements and native Pacific Northwest plantings.

The existing Guest Services and Gift Shop engage with the plaza and provide opportunities for visitors to orient themselves, sit, find grab-and-go snacks or restrooms, and shop. Design and material choices will respond to the existing architectural elements at the entry creating an integrated experience upon arriving at the Oregon Zoo. Planting throughout this area could include notable PNW native plantings such as Douglas fir, big-leaf maple, vine maples, rhododendrons, western sword fern, and other native forest groundcover.

In July 2024, after the passing of the bond measure, the zoo team and architect began refining the Entry Plaza scope based on programming and needs. After six months of design, two new and different structure concepts were presented. Both provided a large arrival feature that was visually impressive but did not ultimately balance the multitude of design requirements. In addition, the conceptual designs were estimated to cost more than the \$19 million allocated for the entire Plaza Enhancements project, which was identified as a significant risk to the project and overall bond program.

As a result of these imbalances, zoo management stepped back and identified an Entry Plaza scope, named the Cascade Terrace subproject, which balances the design requirements, aligns with the Metro Council–approved campus plan language, and was expected to cost substantially less than prior concepts. The resulting Entry Plaza scope meets the zoo’s operational needs and will provide a structure that is integrated with the existing Cascade Crest building and its

architectural elements. It will provide shelter from rain and sun, views of mountain goats, improved accessibility, and a seating and gathering space. These modifications were made through established decision-making processes and reflect the zoo's commitment to responsible stewardship of public resources. We believe these investments appropriately balance cost, functionality, guest experience and long term value.

The zoo has a strong track record of delivering complex construction projects. In addition, it has the executive leadership and technical expertise necessary to effectively manage this program.

Audit Recommendations

Recommendation

To ensure careful stewardship of public resources and encourage realistic expectations for the Zoo Bond, the General Manager of Visitor Venues, Zoo Director, and Director of Campus Planning and Development should:

- 1. Document bond governance including clearly delineated roles, responsibilities, and lines of authority, and get approval from Metro Council.**

Response: We agree with this recommendation.

Proposed Plan: Metro has established Capital Improvement Planning and capital budgeting processes for the organization that the 2024 Zoo Bond Program must follow. There are also delegated and defined processes at the Zoo Bond Program and project levels. To apply those requirements to the Bond Program, management developed the Oregon Zoo Bond Program Framework that cites authority for Metro Council and defines the Zoo Bond Steering Committee, the 2024 Oregon Zoo Bond Oversight Committee, the Oregon Zoo Campus Planning and Development team, the Capital Asset Management department and Metro's Finance department. Management will review that framework with internal stakeholders, and inform Metro Council, to ensure clarity and an effective governance structure that fosters careful stewardship of public resources. If any roles, responsibilities or authorities do not align with established Metro capital project management processes, the bond program will identify those and seek Metro Council approval, as necessary.

Timeline: Any outstanding questions concerning role, responsibility or authority—or edits to the Oregon Zoo Bond Program Framework—should be finalized by September 2026. Review with stakeholders, including Metro Council, will be completed by November 2026.

2. Develop performance measures including baseline measures and desired targets that address all seven bond commitments.

Response: We agree with this recommendation.

Proposed Plan: Performance measures are being developed with guidance from subject matter experts, including Metro’s Revenue and Analytics division, which oversees the agency’s performance data initiative; Metro’s DEI division, which oversees accessibility; and Capital Asset Management, which oversees sustainability. Performance measures related to animal care will incorporate the latest research, best practices and Association of Zoos and Aquariums accreditation standards. The development of performance measures will be led by the director of campus planning and development and the deputy director of animal care in collaboration with the zoo team.

Timeline: We agree with the audit report that development of measures, including data collection, will take time and resources. We expect to make substantial progress developing specific measures for the next major project, Coastal Shores, as well as for the Bond Program overall, by Dec. 31, 2026. Data will be collected after measures are defined, with progress and outcome reporting likely to occur annually, as applicable to the projects underway or completed, and to the program as a whole.

3. Establish a periodic reporting mechanism that provides the public, oversight committee, and Metro Council with current and accurate information on cost, schedule, and variances by project and for the bond as a whole.

Response: We agree with this recommendation and are committed to transparent and consistent communication.

Proposed Plan: A plan developed in October 2025 outlines how the zoo communicates with the public, the Zoo Bond Oversight Committee, Metro Council and staff. The bond communication plan is managed by the program coordinator on the Campus Planning and Development team in collaboration with the zoo’s director of communications and director of marketing.

The Campus Planning and Development director is refining the reporting format with input from the zoo director, selected Zoo Bond Oversight Committee members, and the Zoo Bond Steering Committee to more effectively communicate current and accurate information on costs, schedules and variances by project. An overall Zoo Bond Program financial report has been created, which is updated monthly for program reporting.

Timeline: Refined report format to be finalized by September 2026. Updates are provided monthly to the Bond Steering Committee and Zoo Bond Oversight Committee. Quarterly updates are provided to Metro Council.

Recommendation

To increase transparency and accountability for Zoo bond projects, the Director of Campus Planning and Development and the Design and Construction Manager should:

4. Complete project management plans or project briefs for each project in the bond implementation plan.

Response: We agree with this recommendation. Project briefs outline, at a minimum, the project description, including budget, performance measures, and high-level schedule; project scope and requirements for habitats and animal care facilities, guest amenities and interpretive areas; and project constraints, considerations and potential risks, which helps ensure management's attention to critical planning elements.

Proposed Plan: Project briefs will be developed for each project prior to starting conceptual design with architectural firms. This tool will provide clarity to the architect as to the needs and requirements for each project as we begin conceptual design so we move forward with clarity and efficiency. There will likely be times when developing and finalizing some project brief elements are performed concurrently with architect/engineer contractor procurement processes, given procurement often takes months to complete. Project brief development will be led by the director of campus planning and development with input from appropriate staff from across the zoo. Project briefs will be approved by the Zoo Bond Steering Committee.

Timeline: Project brief development, particularly for complex animal habitats, begins months prior to the beginning of a project. The project brief for Coastal Shores is currently in development, with input being obtained by appropriate zoo staff. This document will be completed by the time the architect/engineer's contract is signed, which is anticipated to be in August 2026. Briefs for future projects will be initiated to meet the timing described above.

5. Get approval for each project plan or brief before design and construction begins.

Response: We agree with this recommendation.

Proposed Plan: Project brief development is led by the director of campus planning and development. It is reviewed and approved by the Zoo Bond Steering Committee prior to signing the contract with the architect/engineer for the project. Any necessary revisions to the project brief and/or project design will be tracked by the project manager and reviewed by the Zoo Bond Steering Committee.

Timeline: Briefs for future projects will be initiated to meet the timing described above.

6. Develop a change management process to ensure changes to projects are approved by the right authority.

Response: We agree with this recommendation.

Proposed Plan: Change management processes are outlined in the Bond Program Framework. At a high level:

- Metro Council approves project budgets through Metro’s Capital Improvement Plan process.
- Any elimination, addition or resequencing of the five 2024 campus plan projects (Plaza Enhancements, Coastal Shores, Africa Phase I, South Hub, Africa Phase 2) within the bond program as defined in the Bond Implementation Plan would require Metro Council approval via resolution of an updated plan.
- The Zoo Bond Steering Committee approves project-level scope changes and major tradeoffs across projects to ensure alignment with zoo operations, visitor experience, sustainability goals and campus planning.

Timeline: Campus Planning and Development is working with Capital Asset Management (CAM), Procurement, and Finance to clarify the decision-making structure for project managers, managers and project sponsors (executives) to ensure consistency across all Metro capital projects with an anticipated completion date of September 2026.

7. Document how project specific risks were used to inform budgets and financial contingencies.

Response: We agree with this recommendation. We acknowledge the need for strong documentation of risk factors and the rationale for contingencies.

Proposed Plan: The director of campus planning and development, in collaboration with the design and construction manager, will analyze project-specific risks identified by the team and how those risks inform the project budget and contingencies. Risks, budgets, and contingencies will continue to be evaluated at the conclusion of each architectural phase and throughout construction. The Bond Program Framework outlines program-level risks, separated into the categories of general, guest services, animals, the Oregon Zoo Foundation, marketing, guests and conservation education. In addition, CAM has developed a risk register tool that the bond program will assess in this process.

Specific risks, opportunities, and dependencies will be considered in managing each project. These more detailed lists will be considered “living” documents that can be expanded and/or modified at any time during the life of a project.

Management also wants to clarify that project-level budget contingency for the first suite of projects, Plaza Enhancements, meets contingency guidelines for the bond program. The Plaza Enhancements budget of \$19 million has allocations of \$16,101,695 working capital and \$2,898,305 for contingency (18%).

Timeline: Ongoing with each project.

8. Develop a consistent system to maintain project documentation.

Response: We agree with this recommendation.

Proposed Plan: All members of the Campus Planning and Development team will be required to take Metro’s Records Information Management training module. The community engagement liaison has been designated by the RIM team as the content manager for Campus Planning and Development.

A project documentation system has been developed and implemented. The file system is similar to the one established during the 2008 Zoo Bond, as well as the system used by CAM. Working documents are kept on the Campus Planning and Development SharePoint site. Finalized documents are moved to one of Metro’s local area network drives designated for zoo bond file storage.

Timeline: Campus Planning and Development staff have three months from their date of hire to complete the RIM training.

9. Assign responsibility to a specific position(s) for managing compliance with each of Metro’s Public Benefits Program.

Response: We agree with this recommendation.

Proposed Plan: Campus Planning and Development project managers, along with the design and construction manager, oversee compliance with each Metro Public Benefit program. In addition, a roles and responsibilities matrix was developed to clearly identify key partners—such as the architect, general contractor and Public Benefit Program leads—who hold staff and contractor responsibilities to support compliance with each program. This matrix is in the bond framework and is used as part of onboarding for new staff, contractors, and partners.

Timeline: Completed

10. Make sure Public Benefit Program requirements are accurately communicated to each position identified in recommendation 9.

Response: We agree with this recommendation.

Proposed Plan: The Campus Planning and Development team follows Metro's Capital Improvement Process (CIP) development process, led by CAM, which includes the review of Public Benefit Program requirements for all capital projects. CAM staff reviews all bond projects in the five-year CIP, completes project checklists to identify Public Benefit Program requirements, then provides a summary of these requirements. Prior to beginning an approved capital project, Public Benefit Program leads meet with Campus Planning and Development’s design and construction manager and project manager to review project scopes and update the checklists to ensure all applicable and feasible requirements are identified and incorporated into project design and construction. The roles and responsibilities matrix (see #9 above) also links to each Public Benefit Program and supporting documentation requirements for each.

Timeline: Ongoing



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