

**MINUTES OF THE PROCEEDINGS OF THE
CITY OF COOS BAY URBAN RENEWAL AGENCY**

November 3, 2015

The minutes of the proceedings of the City of Coos Bay Urban Renewal Agency, held immediately following the City Council meeting held at 7 p.m. in the Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Secretary Mike Vaughan and Board Members Fred Brick, Stephanie Kramer, Thomas Leahy, and Crystal Shoji. Chair Jennifer Groth and Board Member Mark Daily were absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, Library Director Sami Pierson, Community Development Director Eric Day, Public Works Director Jim Hossley, Fire Chief Mark Anderson, and Police Chief Gary McCullough.

Public Comments

No comments were given.

New Urban Renewal Business

No new business was presented.

Approval of Additional Construction Funds for Empire Boulevard Enhancement Project

Public Works Director Jim Hossley stated the City received grant awards through Oregon Department of Transportation (ODOT) to fund the Empire Boulevard Enhancement project. Between the City's URA matching funds and ODOT's grant funds, \$5,367,533 was authorized for expenditure on the construction phase of the project. The amount was determined based on ODOT's engineering cost estimates and included estimated costs for construction, engineering, management, and a 10% contingency. On October 22, 2015 the City received the following bid results from ODOT: LaDuke Construction, \$4.82 million; Knife River, \$4.99 million; JAL, \$5.25 million; Laskey-Clifton, \$5.31 million, and; Carter & Co., \$5.83 million.

Mr. Hossley noted the lowest bid was approximately 5% over ODOT's estimate. LaDuke's bid for construction, plus engineering management, and a 10% contingency totaled \$5,631,674; \$264,141 over the amount authorized for the project. Per the City's intergovernmental agreement (IGA) with ODOT, the City was responsible for additional funding required beyond the estimated amount for the construction phase. Mr. Hossley advised the estimated cost for the now completed design engineering (PE) phase and right-of-way (ROW) acquisition phase was underspent. Unfortunately, ODOT's project accounting rules did not allow for the under spent funds to be rolled into the overage in the construction phase at this time. In order to keep the project moving forward, the URA would need to agree to fund the entire construction phase overage (\$264,141) and request ODOT continue to move the project forward. The ODOT project manager forecasted the actual overage would be closer to \$40,000, once the remaining funds in the PE and ROW phases were rolled into the Construction Phase. Mr. Hossley stated the actual figure and the funds would not be rolled into the construction phase until the end of January 2016 at the earliest.

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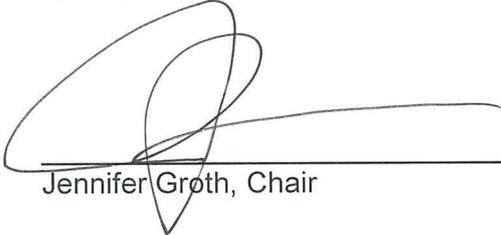
Staff asked ODOT if it was possible to rebid the project in hopes of a better price and were advised at a minimum, it would cost an additional \$30,000 in engineering and administrative cost to rebid. Bidding in the fall (as ODOT did) was an ideal time for the best bids. Additionally, most materials costs were expected to rise. ODOT's experts recommend against rebidding the project as they expect rebid prices would come in higher. Mr. Hossley stated because of state law, ODOT could not shorten or reduce the scope of the project in an effort to reduce cost without going out to bid again. Should the Agency choose not to approve the additional match, the City would have to reimburse ODOT their cost for the project to date including PE and ROW phase costs; estimated reimbursement was \$640,000 which would be in addition to the \$163,350 the City had already paid for the PE and ROW phase.

Board Member Shoji moved to approve an additional \$264,141 grant match for the Empire Boulevard Enhancement project, increasing the total authorized match for the grant match to \$1,094,173 and authorized staff to request ODOT move forward with the construction phase of the Empire Boulevard Enhancement project. Board Member Leahy seconded the motion. Board Member Kramer stated she was not pleased with the use of additional Urban Renewal funds; suggested the City should also contribute funds. A call for the question was made which passed with Secretary Vaughan and Board Members Brick, Kramer, Leahy, and Shoji voting aye. Chair Groth and Board Member Daily were absent.

Adjourn

There being no further business to come before the Agency, Secretary Vaughan adjourned the meeting.

Attest: 
Mike Vaughan, Secretary


Jennifer Groth, Chair