

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

December 6, 2016

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 Chair Stephanie Kramer and Board Members Joe Benetti, Lucinda DiNovo, Drew Farmer, Jennifer Groth, Stephanie Kilmer, and Phil Marler. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Susanne Baker, Planning Administrator Tom Dixon, Public Works Director Jim Hossley, and Police Chief Gary McCullough.

Public Comments

No comments were given.

Consent Calendar

Chair Kramer reviewed the consent calendar which consisted of 2a: approval of the minutes of November 15, 2016. Board Member DiNovo moved to approve the consent calendar approving the minutes of November 15, 2016. Board Member Groth seconded the motion which passed with Chair Kramer and Board Members Benetti, DiNovo, Farmer, Groth, Kilmer, Marler voting aye.

New Urban Renewal Business

Chair Kramer suggested the owner of the blue building in the Empire district, next to the Tokyo Bistro, be contacted for an urban renewal project.

Presentation on the City of Coos Bay Urban Renewal Agency Audit for Fiscal Year Ending 2016 by Auditor Tara Kamp

Finance Director Susanne Baker stated the Agency audit was a mirror of the City's audit and resulted in an unmodified opinion. Pauly Rogers and Co. P.C., was retained to provide audit services to the Coos Bay Urban Renewal Agency. The first component of the audit was the financial statements to verify compliance with generally accepted accounting principles and the second audit was to ensure compliance with Oregon Municipal Audit Law, compliance with Oregon Budget Law and testing of bids and quotes. The Statement of Auditing Standard No. 114 (SAS 114) required communication with management of the results of the audits which were excellent; resulted in an unmodified opinion or clean audit; and "no management comments". Ms. Baker stated the importance of a good audit and that federal, state, and financial entities review the audits for compliance and credit worthiness. Recently staff was contacted by a representative of Bloomberg regarding access to the audits. Board Member Groth moved to accept the FYE16 Urban Renewal Agency audit report in compliance with SAS 114. Board Member DiNovo seconded the motion which passed with Chair Kramer and Board Members Benetti, DiNovo, Farmer, Groth, Kilmer, Marler voting aye.

Urban Renewal Agency Minutes – December 6, 2016

Approval of a Change Order for the Dolphin Theater Façade Contract

Public Works Director Jim Hossley stated at the January 5, 2016 meeting, the Urban Renewal Agency approved a façade grant application from the Dolphin Players to make improvements to the Dolphin Theater. The Dolphin Players intent was to enhance the visual appeal of the building with façade improvements to the south and east elevations of the existing structure. They awarded a \$97,200 contract to Tom Gayewski Construction, Inc. to complete the work and authorized staff to manage the construction.

Once the project plans and bid document were passed to Public Works staff it was discovered that the low bid amount was actually \$102,800. In addition, staff learned the costs for hazard material investigation and abatement, building permits, and contingency were not included in any of the contractor bids. The building code required building plans for the type of façade improvements proposed to be prepared and stamped by a licensed engineer or architect. City staff contracted with a structural engineering firm to stamp and revise the plans as necessary. The engineer made a slight material revision to the plan that was originally put out to bid by the Dolphin Players. The material revision added slightly to the cost of the project. Once the stamped plans were completed, material costs had escalated since the original bids were let. The material revision together with the material cost escalation resulted in an 8% construction cost increase over the contractor's original \$102,800 bid. Per the City's procurement rules, changes of less than 10% are permissible without having to rebid.

Staff met with the Dolphin Players regarding the total project cost and cost sharing. The total cost was estimated to be \$130,438 which included engineering plans, permits, hazardous material investigation and abatement, and contingency. They agreed to fund these costs with their total share being \$19,900 and the URA's \$110,538. On April 19, 2016, Agency approved an additional \$13,338 for the project and awarded a contract to Tom Gayewski Construction, Inc. for an amount not to exceed \$115,538, with a \$5,000 contingency. Mr. Hossley noted there were four change orders associated with the project. The fourth change order, which was for \$2,964, brought the total contract costs to \$116,265, which was \$727 more than the Agency had approved. Board Member DiNovo moved to approve the additional \$727 in funding. Board Member Kilmer seconded the motion which passed with Chair Kramer and Board Members Benetti, DiNovo, Farmer, Groth, Kilmer, Marler voting aye.

Executive Session

An Urban Renewal executive session was held pursuant to ORS 192.660 (2) (e) for the purpose of discussing real property transactions and (h) for consultation with legal counsel concerning legal rights and duties regarding current litigation or litigation likely to be filed. No decisions were made.

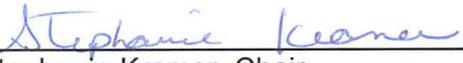
Adjourn

There being no further business to come before the Agency, Chair Kramer adjourned the meeting.

Attest:



Drew Farmer, Secretary



Stephanie Kramer, Chair