



Home of the Tualatin River National Wildlife Refuge

URBAN RENEWAL AGENCY MEETING PACKET

FOR

Tuesday, September 20, 2016

**Sherwood City Hall
22560 SW Pine Street
Sherwood, Oregon**

URA Board of Directors Regular Meeting
(Following the City Council meeting)

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING AGENDA**

**Tuesday, September 20, 2016
(Following the City Council Meeting)**

**City of Sherwood City Hall
22560 SW Pine Street
Sherwood, Oregon**

URA BOARD REGULAR MEETING

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT AGENDA

A. Adoption of June 21, 2016 URA Board Meeting Minutes

4. NEW BUSINESS

A. URA Resolution 2016-003 Authorizing the Urban Renewal Agency (URA) District Manager to award a construction contract for the Downtown Intersection Monument Removal Project (Tom Pessemier, Asst. City Manager)

5. ADJOURN

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES
Tuesday, June 21, 2016
22560 SW Pine Street, Sherwood, Oregon 97140**

REGULAR SESSION

1. **CALL TO ORDER:** Chair Clark called the meeting to order at 9:04 pm.
2. **BOARD PRESENT:** Chair Krisanna Clark, Jennifer Harris, Jennifer Kuiper, Linda Henderson, Renee Brouse, and Dan King. Sally Robinson was absent.
3. **STAFF PRESENT:** City Manager Joe Gall, Assistant City Manager Tom Pessemier, City Attorney Josh Soper, Police Captain Ty Hanlon, Community Development Director Julia Hajduk, Interim Finance Director Cathy Brucker, and Agency Recorder Sylvia Murphy.
4. **CONSENT AGENDA**
 - A. Adoption of December 15, 2015 URA Board Meeting Minutes
 - B. Adoption of January 5, 2016 URA Board Meeting Minutes
 - C. Adoption of February 2, 2016 URA Board Meeting Minutes
 - D. Adoption of March 1, 2016 URA Board Meeting Minutes
 - E. Adoption of April 19, 2016 URA Board Meeting Minutes

MOTION: FROM LINDA HENDERSON TO ADOPT THE CONSENT AGENDA, SECONDED BY DAN KING. MOTION PASSED 6:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (SALLY ROBINSON WAS ABSENT).

Chair Clark addressed the next agenda item.

5. **NEW BUSINESS**
 - A. **URA Resolution 2016-001 Transferring budget expenditure appropriations between categories and funds for Budget Year 2015-16**

Interim Finance Director Cathy Brucker stated within the URA operations fund additional appropriation authority is necessary for payment of all required debt service, due within the URA operations fund for the year. She stated debt retirement began this fiscal year for the 2010 cannery loan, but the interest payment due has not been included into the total appropriation. She said the resolution does not increase expenditure authorization in the URA operations fund, it only transfers spending authorization from one category to another to cover the debt service obligation.

Chair Clark asked for Board questions. With none received, the following motion was stated.

MOTION: FROM LINDA HENDERSON TO ADOPT URA RESOLUTION 2016-001, SECONDED BY DAN KING. MOTION PASSED 6:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (SALLY ROBINSON WAS ABSENT).

Chair Clark addressed the next agenda item and opened the public hearing.

6. PUBLIC HEARING

A. URA Resolution 2016-002 Adopting the FY2016-17 Budget of the City of Sherwood Urban Renewal Agency, making appropriations, imposing and categorizing taxes, and authorizing the agency manager to take such action necessary to carry out the adopted Budget

Interim Finance Director Cathy Brucker stated on May 26, 2016 the Budget Committee received the budget message, received public comments, and approved the proposed budget with no changes. She said today the URA Board is holding a public hearing on the approved FY 2016-17 Budget. She stated the final steps in the budget process is the adoption of the FY 2016-17 Budget.

Chair Clark opened the public hearing.

Eugene Stewart 22595 SW Pine Street Sherwood came forward and asked how close we are to our spending gap on the urban renewal and said a lot of times that number isn't seen anywhere in the budget, how much has been expended through this fiscal year and how much is left to be expended. He said he would like to see this, showing the expenditures by year and see how close they come to the audited financial reports. He said a previous finance director indicated this could not be traced and this has caused him some concerns.

With no other public testimony received Chair Clark closed the public hearing. With no Board questions or discussion, the following motion was made.

MOTION: FROM JENNIFER HARRIS TO ADOPT URA RESOLUTION 2016-002 SECONDED BY DAN KING. MOTION PASSED 6:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (SALLY ROBINSON WAS ABSENT).

7. ADJOURN

With no further business, Chair Clark adjourned at 9:10 pm.

Submitted by:

Sylvia Murphy, MMC, Agency Recorder

Krisanna Clark, Chair

TO: Sherwood Urban Renewal Agency Board

FROM: Tom Pessemier, URA Project Manager and Jason Waters, PE, Civil Engineer
Through: Joseph Gall, ICMA-CM, URA District Manager

SUBJECT: URA Resolution 2016-003, Authorizing the URA District Manager to Award a Construction Contract for the Downtown Intersection Monument Removal Project

Issue:

Should the URA Board authorize the URA District Manager to award a construction contract to Brown Contracting Inc. for the removal of twelve (12) corner monuments located along SW 1st Street?

Background:

In 2006 several large concrete monuments were installed at various locations during the Downtown Streetscapes Phase A Improvements. The intersection monuments were omitted from the Phase B project in 2012 due to safety concerns that were raised once the monuments were originally installed, specifically it being difficult to see bicycles and pedestrians exiting from behind the back side of the monuments.

In the fall of 2015 the City initiated this project by conducting a feasibility and scoping study whose function was to confirm if the project could be completed for a reasonable price and within a realistic timeframe, and whose function was also to establish a project budget so it could be programmed into the City's 5-year CIP plan, as required by law for all public improvements. The study also evaluated bookend design options, of which a more conservative design was ultimately selected for construction bidding due to the unforeseen subsurface conditions, the proximity of joint utility trenches on all sides of the monument bases, and the unique situation created by removing monuments that actually serve as the streetlight foundations themselves. The primary concern is if there is sufficient room to fit new wider and deeper foundations between the joint trenches and utilities surrounding the monuments without having to cut or disrupt services.

The design was finalized back in June and the bid documents were completed in July. Bidding was delayed until the end of August into early September in order to avoid summer events and to wait for a better bidding environment. The project was advertised for bids in the Daily Journal of Commerce three times on August 12th, 15th and 17th. A pre-bid meeting was held on Thursday, August 25, 2016 and bids were opened at City Hall on September 7, 2016. The City used a formal competitive bidding process for public improvements estimated at over \$100k and ultimately received a total of two (2) bids that were both deemed complete and responsive.

Bidder	Base Bid	w/ Alternate (36 bollards)	Variance from Engineers Est.
Engineers Estimate		\$237,407.00	-
Brown Contracting Inc	\$207,792.00	\$259,992.00	9.5%
C&M Excavation & Util.	\$240,482.00	\$276,482.00	16.5%

City staff had initially estimated construction costs about 8 months ago at approximately \$185,000 with only 12 bollards. Considering the recent trend rising construction costs, the apparent lowest bidder's price is in line with current estimates.

There is a potential for significant cost savings on this project due to the unforeseen subsurface conditions. For example, depending upon the subsurface conditions at each of the 6 streetlight monuments, the potential

may exist to re-use the existing streetlights that are much larger than those installed with the Downtown Streetscapes Phase 2 project, although in order to confirm the feasibility of that alternative it requires the contractor to explore the subsurface conditions to determine if the larger diameter and deeper pre-fabricated footings will fit within the monument's footprint without conflicting with the nearby utility or city fiber conduit. The selected contractor might also be capable of protecting the existing fiber optic system while roto-hammering the monument foundation from around the fiber conduit, cutting out rebar with a demo saw, and avoiding extensive coordination to splice the fiber optic cables into new boxes. Staff believes the design is fairly conservative and assumed difficult subsurface conditions with tight utilities, which means there could be significant cost savings opportunities to negotiate with the contractor both prior to executing and during the work as opportunities are exposed.

Staff and the consultant have reviewed the bid proposals and determined that Brown Contracting Inc. of Eugene, Oregon submitted the lowest responsive and responsible bid and therefore recommend awarding a contract to Brown Contracting Inc. to remove the twelve (12) monuments identified along SW 1st Street.

Staff also recommends authorizing the URA District Manager to award up to \$10,000 (~4% of the aforementioned Total Amount) to design engineer, Wallis Engineering, for engineering admin support and technical review of submittals and RFIs during construction for a total authorization amount of \$269,992.

Staff is proposing a 5% contingency applied to the aforementioned authorization amount of \$269,992 or \$13,500 of contingency authorized on the project.

The recommended award amounts to authorize are as follows:

Base Bid	= \$	207,792.00
Alternate #1	= \$	52,200.00
Total Bid Price	= \$	259,992.00
Prof. Services	= \$	10,000.00
Total Bid + Services	= \$	269,992.00
5% contingency	= \$	13,500.00
Total Authorization	= \$	283,492.00

Financial Impacts:

Funding for this monument removal project is comprised of URA funds. The bids exceed the amount of URA funds budgeted for this project this fiscal year (\$250,000) and there are other projects that have not been bid yet this year. If those projects come in near budget a supplemental budget would be required to allow those projects to proceed.

Recommendation:

Staff respectfully requests adoption of URA Resolution 2016-003 authorizing the URA District Manager to:

- A. Award a construction contract to Brown Contracting in the amount \$259,992 to complete the Downtown Intersection Monument Removal Project.
- B. Award a professional services contract as needed to complete the work for total professional services not-to-exceed \$10,000 for construction.
- C. Authorize and establish a contingency budget of 5% or \$13,500 for construction change orders and other unforeseen conditions, including additional construction services, personal services, and/or professional services as deemed necessary by the URA District Manager to complete the project.



URA RESOLUTION 2016-003

**AUTHORIZING THE URBAN RENEWAL AGENCY (URA) DISTRICT MANAGER TO
AWARD A CONSTRUCTION CONTRACT FOR THE DOWNTOWN INTERSECTION
MONUMENT REMOVAL PROJECT**

WHEREAS, the Urban Renewal Agency (URA) wishes to complete the removal of twelve concrete monuments located along SW 1st Street at the corners of SW Main, Washington and Pine St.; and

WHEREAS, the monument removal project has been identified in the URA outlay plan and City's 5-year CIP plan; and

WHEREAS, the URA Board has budgeted funds to complete the monument removal project along with other planned construction projects within the current FY2016-17; and

WHEREAS, the project was advertised in the Daily Journal of Commerce newspaper on August 12th, 15th and 17th using a formal competitive bidding process, and bids were opened and read aloud on September 7, 2016; and

WHEREAS, the URA received two (2) complete and responsive bids from Brown Contracting, Inc. out of Eugene, Oregon and C&M Excavation and Utilities, LLC out of Sherwood, Oregon; and

WHEREAS, Brown Contracting, Inc. submitted the lowest responsive and responsible bid at \$259,992, which is within 10% of the engineer's opinion of probable cost at \$237,407; and

WHEREAS, staff believes the current design is slightly conservative and there will likely be significant cost savings and value engineering opportunities that will become evident once the subsurface conditions are better known, and therefore staff recommends authorizing a 5% construction contingency instead of the typical 10%; and

WHEREAS, staff recommends that the URA Board authorize the URA District Manager to award a construction contract to Brown Contracting, Inc. in an amount equal to their bid price of \$259,992; and

WHEREAS, staff posted the Notice of Intent to Award a contract to Brown Contracting on September 13th and the mandatory seven (7) day bid protest period will has expired; and

WHEREAS, staff recommends the URA Board authorize the URA District Manager to award up to \$10,000 (~4% of the aforementioned total) in additional professional & related services contracts required to assist staff during construction, including but not limited to contract amendments with the design engineer, Wallis Engineering; and

WHEREAS, staff recommends establishing a 5% contingency applied against the total cost of construction and personal services, which is approximately equal to \$13,500 of additional contingency to mitigate unforeseen issues during the project associated with, but not limited to underground utilities, differing or contaminated soils conditions, and for additional work identified and deemed necessary by the URA District Manager or his designee; and

NOW, THEREFORE, THE SHERWOOD URBAN RENEWAL AGENCY BOARD RESOLVES AS FOLLOWS:

Section 1. The URA District Manager is hereby authorized to execute a construction contract with Brown Contracting, Inc., in the amount of \$259,992 for the completion of the Downtown Intersection Monument Removal Project #8097.

Section 2. The URA District Manager is hereby authorized to execute up to an additional \$10,000 in professional and related services contracts required to complete the project, including but not limited to the design engineer and unanticipated special inspections.

Section 3. Subject to limitations of local and state contracting rules, the URA District Manager is hereby authorized to execute construction contract change orders and contract amendments with any previously authorized contractor or consultant for a total amount not-to-exceed 5% of the total construction and personal services costs or \$13,500 maximum total.

Section 4. This Resolution shall be effective upon its approval and adoption.

Duly passed by the Urban Renewal Agency Board this 20th day of September 2016.

Krisanna Clark, Board Chair

Attest:

Sylvia Murphy, MMC, Agency Recorder

Approved Minutes

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES
Tuesday, September 20, 2016
22560 SW Pine Street, Sherwood, Oregon 97140**

REGULAR SESSION

1. **CALL TO ORDER:** Chair Clark called the meeting to order at 8:40 pm.
2. **BOARD PRESENT:** Chair Krisanna Clark, Jennifer Harris, Jennifer Kuiper, Linda Henderson, Renee Brouse, Dan King and Sally Robinson.
3. **STAFF PRESENT:** City Manager Joe Gall, Assistant City Manager Tom Pessemier, City Attorney Josh Soper, Community Development Director Julia Hajduk, Finance Director Katie Henry, City Engineer Bob Galati, Civil Engineer Jason Waters and Agency Recorder Sylvia Murphy.
4. **CONSENT AGENDA**

A. Adoption of June 21, 2016 URA Board Meeting Minutes

MOTION: FROM RENEE BROUSE TO ADOPT THE CONSENT AGENDA, SECONDED BY DAN KING. MOTION PASSED 7:0, ALL MEMBERS VOTED IN FAVOR.

Chair Clark addressed the next agenda item.

5. NEW BUSINESS

A. URA Resolution 2016-003 Authorizing the Urban Renewal Agency (URA) District Manager to award a construction contract for the Downtown Intersection Monument Removal Project

Assistant City Manager Tom Pessemier provided a brief history and stated the monuments were installed in 2005 with the original streetscape project. He said since this time there have been a lot of comments relative to their danger or perceived hazard to pedestrians. He said in May of 2015 the URA Board and Budget Committee authorized the Urban Renewal Agency to hire a designer to look at removal of the monuments. He said we tried to get the project done before spring and before City events started, but it resulted in a delay to allow for events and festivals to occur.

Tom said one of things that was unique about the project conversation was we were going to do this as a design-build rather than a design-bid-build, which means we will put more emphasis on the contractor taking responsibility for the work as well as staff and making sure they were performing. He said therefore we did not spend as much money on the design effort upfront. He said we are seeing this reflected in the bidding process that was recently done where we have a very conservative design and we have some fairly high costs that are in excess of the engineers estimate as well as what we originally budgeted for the project. He said we also know there are many opportunities as we move through the construction project to cut some of those costs. He provided an example and said in the bid there is a bid to replace all the poles that are currently in

place and said staff feels we can possibly save the poles but until they are dug up and removed we won't know this for certain. He said there will be a lot of hand-holding of the contractor, more than normal as we move forward.

Tom recapped the financials and said we had an engineer's estimate of about \$237,000 and Brown Contracting Inc. came in with the alternate which was 36 bollards at \$259,000, slightly over the engineers estimate, and this was also over what we budgeted for. He said we had three projects for the URA this year, the parking lot, the removal of the monuments and finishing the lease space and other things at the Center for the Arts. He said we budgeted \$250,000 for the removal of the monuments. He explained we also have the alternates on the bollards for a reason, because we don't believe we will use all 36 and may scale this back.

He said with this, although we are slightly over budget, we feel we will be able to manage the budget as we move forward and recommended moving forward. He said if we come in where this is expected as we move forward with the other projects specifically the parking lot project, we are probably going to have to come back and talk about whether we need to authorize more money out of contingency in the urban renewal agency to move that project forward. He said staff is prepared to move forward and is available to answer questions.

Ms. Robinson asked what the second bid that came in was. Tom replied the second bid was from C & M Construction and with the alternates they were at \$276,000, about \$39,000 over the engineers estimate.

Ms. Kuiper asked if staff wrote the bid facts and provided them to the contractors to bid on. Jason Waters replied yes, they were posted online and advertised in the Daily Journal of Commerce. He stated the consultant put them together and confirmed they were part of the RFP. He said it was a competitive formal bidding process.

Ms. Kuiper asked about the light posts currently on the monuments and said staff indicated they could potentially be saved? Tom confirmed. She asked if the poles go through the concrete surface.

Jason replied the poles go all the way through and the difficulty is the monument is not a completely subsurface foundation, the monument itself the portion that is above the ground serves as a prevention of the overturning moment. He said there isn't a full foundation and this was the issue that, if we replaced the much larger lights with a prefabbed foundation it is much wider than the skinnier lights that we are proposing to put in. He said the foundation is only 12 inches square which will allow us to fit it in between conduit and it gives us more room for error. He said he is about 30% sure we can salvage the old lights. He said this is the most conservative design and this is why the contingency is very low and there is plenty of opportunity for valuing engineering including Sherwood Broadband which in the bid we are planning on splicing and cutting over, but the contractor thinks they may be able to just get rid of the foundation and lower it without disconnecting the fiber, which would be another opportunity for cost savings.

Ms. Harris asked if the Board will see a design of what it might look like. Tom replied if she goes to the corner of Washington and Railroad she will see what the design is. He said it will be very

similar to what has been done at other intersections where we moved forward and have gone without having monuments at intersections where they were originally planned for as we did the Downtown Streetscapes Phase II.

Chair Clark said so they will match the rest of the City. Jason replied one will have a light and the other side will have nothing. He gave an example of the intersection in front of the flower shop.

Ms. Kuiper asked if the ornamental pieces that are on top of the monuments will be kept. Jason replied they will be salvaged but doesn't know where they will be placed.

Tom said one thing that hasn't been included in the design or construction yet is the wayfinding signs as well as the poster board signs. He said we realized due to the dimensions and locations that they are fairly difficult to deal with. He said he is not saying that we will not look at putting them back, but thinks we want to remove some of the monuments and look at options. He said one option we have talked about is moving them back about 8 feet and putting them on double-sided poles that has the wayfinding sign on one side and the poster board on the other side. He said it will move the poster cabinet further away, but we don't want to just recreate the same problem. He said we will take a conservative approach to putting those back and we will have future conversations with the Board as to how they will look. He said there will be a period of time where these features will not be there and staff will be working on addressing the signage.

Ms. Harris shared a personal story regarding going out for a bid on a construction project and asked if the weather or time of year plays a role in the bid amount. Tom replied yes and said this is something that we talk about as well and said it is challenging when you deal with the bidding environment. He elaborated on holidays, bidding season, time of year, construction market and economy, and other things that affect bids. He said you never know and feels with this bid, we are 9.5% over the engineer's estimate he suggested moving forward.

Ms. Henderson said this was not an expected expense for the URA budget and asked what fell off the list or got cut so we could allocate \$280,000. Tom said he did not have the full list but has gone through project priorities that the URA Board has and right now we have certain projects that were originally in the URA plan that are not going to get done, for example Oregon Street for \$6.5 million.

Mr. Kuiper asked about the \$50,000 work on the alley way. Tom replied, right now the last projections we are showing having \$450,000 left in the URA budget, the maximum indebtedness that we could spend. He said we have not allocated that money to projects yet because we wanted to make sure the Center for the Arts was completed as well as finishing the other projects. He said at that point we would have a conversation and part of that conversation is the sale of assets. He said these funds can grow and we are currently conducting appraisals on five different properties owned by the URA. He said we have a tentative URA meeting to discuss the assets and priority list on October 20. He said discussing which projects won't get completed will occur when we go over the entire list.

Ms. Henderson referred to the \$450,000 and Tom said this would be below the maximum indebtedness cap. He clarified, once we do this project we would still have \$450,000 to do other projects, plus what we sell in assets.

Mr. King asked about the timing of the monument construction and Jason replied he believes this can be better answered when we do the value engineering with Brown Contracting. Tom added we anticipate information in the next 4-6 weeks. Jason informed the Board that staff is looking to know the lead time on the lights as the light that was specked-out is a very popular parking lot light and the lead time has increased to 6-8 weeks. He said the project is a top priority for the fall construction season and he would like to get it completed before Thanksgiving.

Tom commented regarding the construction site being very limited in size and said we will be having public outreach meeting and ensuring we are coordinating as we move forward to ensure businesses, pedestrian and drivers can travel unimpeded as much as we possibly can.

Chair Clark clarified for the public and stated the monuments were installed and what we have found is that they have become a pedestrian hazard and a safety issue and this is why we are addressing them before we have a fatality or incident.

Ms. Harris asked if any of the lights will be LED or solar lights. Tom replied he did not know if LED was an option for these lights and said one of the things with lights and PGE, is PGE either owns them and maintains them or they are the City's responsibility and these are the City's responsibility because they are a non-standard PGE light. Jason offered to look into it and said we would make every attempt to upgrade to an LED or energy efficient light.

With no other questions, the following motion was stated.

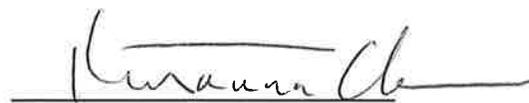
MOTION: FROM LINDA HENDERSON TO ADOPT URA RESOLUTION 2016-003, SECONDED BY JENNIFER HARRIS. MOTION PASSED 7:0, ALL MEMBERS VOTED IN FAVOR.

6. ADJOURN

With no further business, Chair Clark adjourned at 9:02 pm.

Submitted by:


Sylvia Murphy, MMC, Agency Recorder


Krisanna Clark, Chair