

CITY OF COOS BAY CITY COUNCIL
Agenda Staff Report

MEETING DATE April 19, 2016	AGENDA ITEM NUMBER
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TO: Mayor Shoji and City Councilors
FROM: Jim Hossley, Director Public Works *JH*
THROUGH: Rodger Craddock, City Manager
ISSUE: Approve 2016 Fund Exchange Agreement – Coos River Highway Rehabilitation

BACKGROUND:

The December 2015 storm created infrastructure failure throughout the City, one of those locations is the Coos River Hwy road slide. City staff hoped that the Federal Highway Administration (FHWA) would pay for complete repair, which included embankment stabilization. ODOT obtained embankment stabilization cost from one of their pre qualified contractors, GEOstabilization International. The cost to stabilize the north embankment is \$293,172.39. After further investigation, FHWA and ODOT determined that the embankment stabilization work does not qualify for FHWA funding. However, FHWA will pay for roadbed rebuild, asphalt, and traffic control. FHWA argument is that there is historical proof the stabilization issue existed prior to the December 2015 storm event.

The City recognizes that the road will continue to settle (slide) until the north embankment is stabilized. FHWA will not cover the cost for embankment stabilization or culvert replacement. Thus the City is requesting ODOT release a portion of the City's Surface Transportation Program (STP) funds to assist with embankment stabilization and culvert replacement. ODOT has determined that the proposed work is eligible for STP funds and provided the attached agreement for Council's consideration. The agreement will authorize the City to expend \$317,320.50 in STP funds on the embankment stabilization and culvert replacement. The FHWA will pay for roadbed rebuild, asphalt, and traffic control.

ADVANTAGES:

Expenditure of the STP funds will mitigate the embankment stabilization issue on Coos River Highway that has existed for decades. Re-open road back to two lanes of traffic.

DISADVANTAGES:

Reduces STP fund balance from \$992,321 to \$675,000.

BUDGET IMPLICATIONS:

Fund 16 is where the City's share of STP funds is budgeted.

ACTION REQUESTED:

If it pleases council, approve the 2016 Fund Exchange Agreement for Coos River Highway Rehabilitation using \$317,320.50 in STP funds to assist the City with Coos River Highway embankment stabilization and culvert replacement and authorize the City Manager to execute.

ATTACHEMENTS:

Agreement
GSI Report

2016 FUND EXCHANGE AGREEMENT
Coos River Hwy. Rehabilitation
City of Coos Bay

THIS AGREEMENT is made and entered into by and between the STATE OF OREGON, acting by and through its Department of Transportation, hereinafter referred to as "State"; and the CITY OF COOS BAY, acting by and through its elected officials, hereinafter referred to as "Agency," both herein referred to individually or collectively as "Party" or "Parties."

RECITALS

1. By the authority granted in Oregon Revised Statute (ORS) 190.110, 366.572 and 366.576, State may enter into cooperative agreements with counties, cities and units of local governments for the performance of work on certain types of improvement projects with the allocation of costs on terms and conditions mutually agreeable to the contracting parties.

NOW THEREFORE, the premises being in general as stated in the foregoing Recitals, it is agreed by and between the Parties hereto as follows:

TERMS OF AGREEMENT

1. Agency has submitted a completed and signed Part 1 of the Project Prospectus, or a similar document agreed to by State, outlining the schedule and costs associated with all phases of the Coos River Hwy. Rehabilitation, hereinafter referred to as "Project."
2. State has reviewed Agency's prospectus and considered Agency's request for the Fund Exchange. State has determined that Agency's Project is eligible for the exchange of funds.
3. To assist in funding the Project, Agency has requested State to exchange 2016 federal funds, which have been allocated to Agency, for state funds based on the following ratio:

\$94 state for \$100 federal

4. Based on this ratio, Agency wishes to trade \$337,575.00 federal funds for \$317,320.50 state funds.

5. The term of this Agreement will begin upon execution and will terminate two (2) years after all required signatures are obtained unless extended by an executed amendment.
6. The Parties agree that the exchange is subject to the following conditions:
 - a. The federal funds transferred to State may be used by State at its discretion.
 - b. State funds transferred to Agency must be used for the Project. This Fund Exchange will provide funding for specific roadway projects and may also be used for the following maintenance purposes:
 - i. Purchase or Production of Aggregate. Agency shall ensure the purchase or production of aggregate will be highway related and used exclusively for highway work.
 - ii. Purchase of Equipment. Agency shall clearly describe how it plans to use said equipment on highways. Agency shall demonstrate that the equipment will only be used for highway purposes.
 - c. State funds may be used for all phases of the Project, including preliminary engineering, right of way, utility relocations and construction. Said use shall be consistent with the Oregon Constitution and statutes (Section 3a of Article IX Oregon Constitution). Agency shall be responsible to account for expenditure of state funds.
 - d. This Fund Exchange shall be on a reimbursement basis, with state funds limited to a maximum amount of \$317,320.50. All costs incurred in excess of the Fund Exchange amount will be the sole responsibility of Agency.
 - e. State certifies, at the time this Agreement is executed, that sufficient funds are available and authorized for expenditure to finance costs of this Agreement within State's current appropriation or limitation of the current biennial budget.
 - f. Agency, and any contractors, shall perform the work as an independent contractor and will be exclusively responsible for all costs and expenses related to its employment of individuals to perform the work including, but not limited to, retirement contributions, workers' compensation, unemployment taxes, and state and federal income tax withholdings.
 - g. Agency shall comply with all federal, state, and local laws, regulations, executive orders and ordinances applicable to the work under this Agreement, including, without limitation, the provisions of ORS 279C.505, 279C.515, 279C.520, 279C.530 and 279B.270 incorporated herein by reference and made a part hereof. Without limiting the generality of the foregoing, Agency expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established

pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

- h. Agency, or its consultant, shall conduct the necessary preliminary engineering and design work required to produce final plans, specifications and cost estimates; purchase all necessary right of way in accordance with current state and federal laws and regulations; obtain all required permits; be responsible for all utility relocations; advertise for bid proposals; award all contracts; perform all construction engineering; and make all contractor payments required to complete the Project.
- i. Agency shall submit invoices to State on a quarterly basis, for actual costs incurred by Agency on behalf of the Project directly to State's Project Manager for review and approval. Such invoices will be in a form identifying the Project, the agreement number, the invoice number or account number or both, and will itemize all expenses for which reimbursement is claimed. Under no conditions shall State's obligations exceed \$317,320.50, including all expenses. Travel expenses will not be reimbursed.
- j. Agency shall, at its own expense, maintain and operate the Project upon completion at a minimum level that is consistent with normal depreciation and service demand.
- k. All employers, including Agency, that employ subject workers in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage unless such employers are exempt under ORS 656.126. Employers Liability insurance with coverage limits of not less than \$500,000 must be included. Agency shall ensure that each of its subcontractors complies with these requirements.
- l. This Agreement may be terminated by either party upon thirty (30) days' notice, in writing and delivered by certified mail or in person.
 - i. State may terminate this Agreement effective upon delivery of written notice to Agency, or at such later date as may be established by State, under any of the following conditions:
 - A. If Agency fails to provide services called for by this Agreement within the time specified herein or any extension thereof.
 - B. If Agency fails to perform any of the other provisions of this Agreement, or so fails to pursue the work as to endanger performance of this Agreement in accordance with its terms, and after receipt of written notice from State fails to correct such failures within ten (10) days or such longer period as State may authorize.

- ii. Either Party may terminate this Agreement effective upon delivery of written notice to the other Party, or at such later date as may be established by the terminating Party, under any of the following conditions:
 - A. If either Party fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow either Party, in the exercise of their reasonable administrative discretion, to continue to make payments for performance of this Agreement.
 - B. If federal or state laws, regulations or guidelines are modified or interpreted in such a way that either the work under this Agreement is prohibited or either Party is prohibited from paying for such work from the planned funding source.
 - iii. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.
 - m. State and Agency agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be invalid, unenforceable, illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.
7. Agency acknowledges and agrees that State, the Oregon Secretary of State's Office, the federal government, and their duly authorized representatives shall have access to the books, documents, papers, and records of Agency which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcripts for a period of six (6) years after final payment. Copies of applicable records shall be made available upon request. Payment for costs of copies is reimbursable by State.
8. Agency certifies and represents that the individual(s) signing this Agreement has been authorized to enter into and execute this Agreement on behalf of Agency, under the direction or approval of its governing body, commission, board, officers, members or representatives, and to legally bind Agency.
9. This Agreement may be executed in several counterparts (facsimile or otherwise) all of which when taken together shall constitute one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original.
10. This Agreement and attached exhibits constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be

effective only in the specific instance and for the specific purpose given. The failure of State to enforce any provision of this Agreement shall not constitute a waiver by State of that or any other provision.

THE PARTIES, by execution of this Agreement, hereby acknowledge that their signing representatives have read this Agreement, understand it, and agree to be bound by its terms and conditions.

The funding for this Fund Exchange program was approved by the Oregon Transportation Commission on December 18, 2014, as a part of the 2015-2018 Statewide Transportation Improvement Program (STIP).

The Program and Funding Services Manager approved the Fund Exchange on April 7, 2016.

Signature Page to Follow

CITY OF COOS BAY, by and through
its elected officials

By _____
City Manager

Date _____

**APPROVED AS TO LEGAL
SUFFICIENCY**

By _____
Counsel

Date _____

Agency Contact:

Randy Dixon
Operations Administrator
500 Central Avenue
Coos Bay, OR 97420
541-269-1181 Ext. 2201
rdixon@coosbay.or

State Contact:

Jeanette Denn
Agreement Coordinator
3500 NW Stewart Parkway
Roseburg, OR 97470
541-957-3508
Jeanette.m.denn@odot.state.or.us

STATE OF OREGON, by and through
its Department of Transportation

By _____
Region 3 Manager

Date _____

APPROVAL RECOMMENDED

By _____
Region 3 Agreement Coordinator

Date _____

APPROVED AS TO LEGAL SUFFICIENCY

By _____
Assistant Attorney General

Date _____



January 25th, 2016

Mr. Jim Hossley, Director
City of Coos Bay
500 Central Avenue
Coos Bay, Oregon

Proposal for Design/Build/Warranty Stabilization of Coos River Road at 12th Avenue

Dear Mr. Hossley:

GeoStabilization International (GSI®) is pleased to offer this design/build/warranty proposal to stabilize the landslide on Coos River Road at the intersection with 12th Avenue in Coos Bay, Oregon. GSI personnel performed a site reconnaissance on January 15th, 2016 in preparation of this proposal.

Project Overview

The following proposal outlines a stabilization plan that includes the installation of Self Drilling SuperNails™ faced with reinforced structural shotcrete for an estimated stabilization length of 140 lineal feet (LF).

Photo illustrating headscarp extending into travel lane.



Slope Stabilization Construction Plan

The recommended slope stabilization plan will be completed as a collaborative effort between GSI and City of Coos Bay Maintenance forces. The primary scopes of work for the City of Coos Bay or their subcontractor will consist of excavation to prepare the site for stabilization, traffic control, drainage improvements, and guardrail installation. GSI will provide Self Drilling SuperNail® and shotcrete wall construction. **GSI may subcontract the City of Coos Bay work scope if requested.**

The proposed stabilization plan will consist of the installation of four rows of Self Drilling SuperNails™ up to 50-feet in length. The Self Drilling SuperNails™ will be faced with a structural layer of reinforced shotcrete, up to 14 feet tall, to distribute the nail head loads and create a buttress to stabilize the road surface.

Drainage improvements are also required for successful stabilization of the landslide. The existing cross culvert had water flowing beneath the pipe downslope and has likely separated below the road surface. The culvert will need to be repaired as part of the project and is assumed to be completed by the City of Coos Bay or their subcontractor. The 5-warranty will be voided if the culvert is not repaired. GSI will also install horizontal drains to alleviate the buildup of hydrostatic pressure with the upper failure mass.

Proposed Construction Sequence

All construction equipment will be positioned on the existing asphalt or outboard shoulder. Only foot traffic will be permitted to traverse over and down the slope. The estimated order of tasks is as follows along with an example photo to better illustrate the operation:

1. Minor excavation to remove loose debris and vegetation, and to reduce undulations in the slope face to facilitate shotcrete placement.
2. GSI File Photo showing installation of production Self Drilling SuperNails™ working from road surface. Note one lane open to alternating traffic during construction.



3. GSI File Photo showing placement of flat panel drains and steel reinforcing components and shotcrete application.



4. Below: GSI File Photo showing finished shotcrete wall prior to final cleanup and revegetation.



Resources

Our SuperNailer™ is mounted on a tracked carriage that allows the work to be accomplished from the existing road surface. **We anticipate traffic control during construction to consist of a flagging crew or signage closing one lane during construction with traffic alternating in the opposite lane. The road may be fully open to traffic during off construction hours.** This may require intermittent traffic and/or work stoppage. We have excluded traffic control as part of our scope of work.

Schedule

The proposed scope of work assumes working 10 hours per day, 6 days per week as daylight permits. GSI crews typically are on site for 2 weeks and travel home for 4 days.

Cost

The cost outlined in the following table includes design drawings and calculations sealed by a professional engineer registered in the State of Oregon, all materials and equipment required for installation of the Self Drilling SuperNails™ and shotcrete slope stabilization plan, a 75-year design life and a 5-year performance warranty.

Cost Estimate

Description	Total
Design/Build/Warranty Slope Stabilization (140 LF)	\$293,172.39

***Assumes One Mobilization**

GSI Includes or Excludes the Following Items as Indicated

	Exclude	Include		Exclude	Include
Self Drilling SuperNail™ Supply & Installation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Excavation for Wall	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Hauling of Spoils	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Stamped stabilization plans and calculations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Traffic Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One (1) Mobilization	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Facing Installation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Construction Surveying	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Erosion Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Horizontal Drains	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Drainage Improvements	<input checked="" type="checkbox"/>	<input type="checkbox"/>
			Guardrail Installation	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Warranty:

Our proposal includes design and we will supply a P.E. stamped typical section. Our work also carries a five-year warranty commencing after GSI project completion. This warranty is void absent GSI receiving mutually agreed project payment or if the City of Coos Bay or their




subcontractor does not repair the failed culvert. If at any point within the warranty period the repaired section becomes unstable, GSI will, in a timely manner, remedy the situation with a design/construction solution at no cost to the owner. This warranty does not cover work completed by others or shallow surface erosion problems that may develop in the future. Exceptions to the warranty include catastrophic seismic, weather, or other events outside reasonable accounting in design (including earthquakes and weather events exceeding expectation for the region) or further construction by third parties that destabilizes the repair (including utility trenches dug into or through any soil nails, deep excavations in the area, etc). Extreme storm water volumes may cause erosion, which could undermine the repaired areas which may void this warranty. After such an event these areas should be checked for erosion.

This proposal is contingent on the fact that the slide does not move significantly prior to our mobilization. If significant movement occurs we should be contacted to potentially modify the scope of this proposal.

This offer expires 30 days from the date transmitted. GeoStabilization International is confident that we can construct a quality stabilization system in an efficient manner. This proposal is conditional upon entering a mutually acceptable contract between GeoStabilization International and City of Coos Bay.

Sincerely,
GeoStabilization International



Bryan Wavra, P.E.
NW Project Development Engineer
503-999-4187
bryan@gsi.us

Acceptance: _____
Name/Title Date

