


CITY OF COOS BAY URBAN RENEWAL AGENCY
Agenda Staff Report

MEETING DATE	AGENDA ITEM NUMBER
November 22, 2016	

TO: Chair Stephanie Kramer and Board Members

FROM: Jim Hossley, Public Works Director 

THROUGH: Rodger Craddock, City Manager

ISSUE: Work Session - Change Order for Dolphin Theater Façade Contract

BACKGROUND:

At the January 5, 2016 meeting, the Urban Renewal Agency approved a façade grant application from the Dolphin Players to make improvements to 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 do 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, it was learned that the cost for hazard material investigation and abatement, building permits, and contingency were not included in any of the contractor bids. The building code requires that building plans for the types of façade improvements being proposed be prepared and stamped by a licensed engineer or architect. City staff contracted with a structural engineering firm to revise the plans as necessary and stamp them. The engineer made a slight material revision to the plan that was originally put out to bid by the Dolphin Players. This material revision added slightly to the cost of the project. In addition, as the bids were received back in early fall 2015; once the stamp 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 Alice Carlson, representing the Dolphin Players, regarding the total project costs and cost sharing. The total cost was estimated to be \$130,438 including engineering plans, permits, hazardous material investigation and abatement, and contingency. The Dolphin Players agreed to fund the cost of the engineered stamp plans, the hazardous material investigation and abatement, building permits, and the contingency. Their total share would be up to \$19,900. The URA's share would be \$110,538.

On April 19, 2016, the Urban Renewal Agency approved an additional \$13,338 for the Dolphin Theatre Façade Project and Award a contract with Tom Gayeski Construction, Inc. for an amount not to exceed \$115,538, which includes a \$5,000 contingency. The contingency would come from Dolphin Players funds.

There have been 4 change orders associated with the project. The 4th change order, which is for \$2964, brings the total contract costs to \$116,265 which is \$727 more than approved by the URA.

ADVANTAGES:

Approval of the additional \$727 expenditure will finalize the project.

DISADVANTAGES:

None

BUDGET IMPLICATIONS:

The total project cost estimate is \$130,428. The contractor's construction cost, which is the URA's share, is \$110,538. The Dolphin Player's estimated cost share is \$19,900, including up to \$5,000 for construction contingency. Should the URA approve the additional \$727 funding, the additional funds will come from the Empire Urban Renewal District / Contractual budget line #58-945-520-2108.

ACTION REQUESTED:

At the December 6th Urban Renewal Agency meeting, staff will request the Agency approve an additional \$727 for the contract with Tom Gayeski Construction, Incorporated.

ATTACHMENTS:

None