

Minutes of the **Regular Meeting** of the **Board of Directors of the Redevelopment Agency** of Riverdale City held Wednesday, November 3, 2004, at 7:14 p.m. at the Riverdale Civic Center.

Members Present: Bruce Burrows, Chairman
 Nancy Brough
 David Gibby
 Stan Hadden
 Stacey Haws
 Shelly Jenkins

Others Present: Larry Hansen, Executive Director
 Randy Daily, Community Development Director
 Lynn Moulding, Public Works Director
 Wayne Hoaldrige, Public Safety Director
 Jan Ukena, Planner
 Steve Brooks, City Attorney
 Jeannette Hall, Community Services Director
 Cindi Mansell, City Recorder

 Scott Kier Vicky Morton
 John Stalder Rich Wolthius

Chairman Burrows called the meeting to order and welcomed all those present.

Approval of Minutes

Chairman Burrows stated the Board has the minutes of the October 19, 2004 regular meeting before them for consideration of approval. There were no amendments or additions necessary.

Motion Mrs. Brough moved to approve the minutes. Mr. Hadden seconded the motion. The motion passed unanimously.

Consideration of action - construction contract for Senior Housing/Facility
Final Bids & Costs/Subcontractor Approval

Mr. Hansen explained staff has been awaiting information concerning the final bids and cost information, as well as construction management contract addendum for the Senior Housing/Facility. He stated the RDA Board will recall a budget figure was adopted based on design plans the architect put together and estimates as derived from that by the contractor, Kier Construction. Mr. Hansen stated complete bidding has now taken place; however, there is the need for discussion regarding the information as received from the subcontractors. He clarified there are some differences that need to be discussed and reconciled at this time.

Scott Kier addressed the RDA Board. He made introductions of John Stalder, Senior Estimator at Kier who has been working on the final numbers for approximately 30 days; and

Rich Wolthius, Construction Project Manager. Mr. Kier distributed information to the Board relative to final bids and cost review. He stated the total bottom line cost is \$3,325,000 or about \$94 per square foot. He stated the volatility in the market has had the bids jumping all over the place; however, he does feel the final bids to be very competitive.

Mr. Kier referenced the Final Bids and Cost Review, stating those highlighted in yellow have yet to be approved. He stated there is the need for discussion and direction to keep the project moving forward. He referenced the comparison between preliminary and final bid amounts, stating the utility hookup fees and tap fees were able to be included in the budget. He stated the concrete work is an area that Kier was able to do the work themselves to result in a savings of \$60,000.

Mr. Kier explained that mechanical and electrical costs are what went over initial budget by \$99,000; the main reason being the steel commodities increase over the past few months. He then referenced the summary on variance report, stating the addendum is part of this package. Mr. Kier stated three addendums have been created to help "cut the fat" out of the project; and this final number is based on inclusion into the final contract.

Mr. Kier discussed the Owner Options, stating these are items included in the contract documents yet not budgeted. Discussion followed relative to the aspect of adding conduit to the Senior Center area (versus romex). Mr. Kier stated although the plans and specs do not call for conduit, Mr. Daily would like to have discussion on this item. He stated full conduit would cost \$21,470; just to home runs (electrical contractor recommendation) would cost \$8588; and ENT cable for the Senior Center area would cost \$12,882.

Mr. Daily explained without conduit, he would have concerns for future upgrades of the kitchen area. Mr. Kier made the suggestion to perhaps take a separate look at providing conduit for the kitchen area only. Mr. Daily stated he would have concerns with the rest of the cable, as it would be good to have conduit throughout the building.

Mr. Hadden inquired if the conduit in the kitchen is surface or wall mounted. Mr. Kier stated the conduit is buried within the wall. Discussion followed regarding the difference in cost between surface and wall, with Mr. Kier stating he feels the Board would prefer the cleaner look. Mr. Daily further discussed his concerns with utilizing only romex, stating this is something that can not be changed out at a later date. He offered clarification that any upgrade would require getting into the wall; and conduit has pipe to run the wires through. Chairman Burrows stated he would be in support of providing conduit to the entire facility.

Mr. Kier referenced the power inverter as specified on the drawings and to have emergency lighting tied into it to allow battery replacement in one location. Mr. Wolthius explained this can be accomplished if there is commitment as to annual or more frequent basis to monitor the strength of batteries. Mr. Hansen stated the Emergency Operations Committee has identified the Community Center as a principal facility for use during emergency. He stated there was initial research into installing emergency generator backup; however, this was scrapped due to prohibitive costs.

Discussion followed regarding other items, including grab bars to all non-handicapped unit tubs. Mr. Daily explained this is not an assisted living facility, and these are not required. He clarified there are grab bars within the handicap units per code requirement; and the shower stalls in all units have backing ready to install a grab bar.

Further discussion followed regarding the Owner Option items, and determinations were made as follows:

- To hand form the mow strip - consensus.
- To add drip heads for the sprinkler system - recommendation not to approve that addition.
- To add dormer vents in lieu of ridge vent - consensus not to add.
- To add mondo rubber flooring to Rooms 263 & 266 - consensus.
- To add the automatic curtain railing for the multi-purpose room - Discussion followed regarding the fact this item could be added at a later date at the same price. Mr. Hansen stated the methodology was if the room is being utilized for a public meeting or presentation and there is the need to darken the room. Further discussion followed regarding the potential to utilize the multi-purpose room to show movies. There appeared to be consensus to hold off on this item. Inquiry was raised regarding e-factor and reflection consideration for the large windows in the multi-purpose room. Mr. Wolthius stated he thought the bid included low-e factor, but not reflective glass. He stated he would check into this item.
- To add the power inverter as specified on the drawings and have the emergency lighting tied into it - consensus not to add.
- Deduct for blown insulation versus batting - consensus.
- Add for change to a 40-year architectural shingle - consensus as well as recommend consideration of a lighter color.
- Change kitchen equipment per Jeannette. Discussion followed, with Mr. Gibby suggested acquiring good used equipment. Mr. Hansen stated there was initial consideration to utilize some of the existing kitchen equipment; however, there were issues. Chairman Burrows stated he feels the used equipment idea to be worthy of additional consideration. There was consensus for the addition, with determination that modification could be made relative to the negotiation of the kitchen components.
- Add conduit to the Senior Center area. Further discussion followed regarding associated costs involved with rewiring. Mrs. Brough stated although expensive, she feels it is worth the cost to be able to change and keep up with technology. There was consensus to add conduit to the entire area in the amount of \$21,470.

Motion Mr. Gibby moved to approve the subcontractor listing as presented. Mrs. Brough seconded the motion. The motion passed unanimously.

Addendum to Construction Management Contract

Mr. Hansen stated he would like to verify the pricing numbers as added and subtracted; for a total of \$25,983. Inquiry was raised as to the total guaranteed not to exceed price, with Mr. Hansen stating the total guaranteed not to exceed price was disclosed at \$3,351,966.

He stated if this price is accepted in the addendum, staff would want legal to insert the necessary language to allow consideration and capture of savings from the used market for kitchen components.

Motion Mr. Hadden moved to adopt an addendum to the Kier Construction Management Contract, and not to exceed the price as quoted in the amount of \$3,351,966. Mrs. Brough seconded the motion. The motion passed unanimously.

Roll call vote. Mr. Gibby, Yes; Mr. Haws, Yes; Mrs. Jenkins, Mr. Hadden, Yes; and Mrs. Brough. The motion passed unanimously.

Inquiry was raised as to the responsible party should something go wrong. Mr. Kier explained this is included in the contractor insurance expenses. He offered clarification that he does not expect anything over and above the quoted price.

Mr. Wolthius expressed concern relative to timing, stating the decisions regarding the kitchen cannot go on into perpetuity and delay construction. A six-week timeframe was suggested, with Mr. Hansen stating he does not feel this to be adequate. He stated, however, by that time it should become obvious as to whether new or used equipment will be utilized.

Discretionary Business

Status Update - RDA Areas 1 & 2 Amendments

Mr. Hansen explained the RDA Board had previously approved staff to proceed with RDA Areas 1 and 2 amendments, with associated RDA attorney costs not to exceed \$10,000. He stated these areas have proven to result in considerable amounts of staff time and effort. He stated during the process of amending project areas that are 13-15 years old, it has been discovered there are errors that were made in the original adoption of these areas with regard to the legal descriptions that need to be corrected.

Mr. Hansen stated because Riverdale does receive tax increment from Weber County, the entire process has to be very precise and very formally structured. He stated the RDA Attorney is indicating there were issues at initial adoption and these errors must be fixed. He stated staff has now had to engage engineering services in order to research and produce a valid legal description. Mr. Hansen stated this is a service which is very expensive, yet a necessity.

Mr. Hansen further stated a boundary adjustment with South Ogden had taken place, and there were things that happened and should have taken place before the City actually did the boundary adjustment. He stated this now has to be corrected in conjunction with the RDA Area amendment; and will require more work and more associated attorney fees. Mr. Hansen stated staff does not have much choice but to correct the plan areas and bring them current to be able to take advantage of amendments to RDA law and be able to bond. He clarified Bond Counsel will not approve bonding until the RDA Attorney has completed the Area Plan Amendments.

Mr. Hansen stated these types of issues have caused a delay in the amendment schedule by a meeting or two; however, the project is still realistic. He stated he would estimate

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attorney fees to be between \$12,000-\$13,000; rather than the originally budgeted \$10,000. He stated the City Engineer has provided an estimate of up to \$8,000 to prepare legal descriptions; publishing fees have been estimated between \$7,000-\$10,000; and certified mailing costs at \$2,000. Mr. Hansen stated the bottom line is this project is going to cost between \$20,000-\$30,000.

Chairman Burrows inquired as to whether there is funding available within professional services funds. Mr. Hansen stated there is funding in the RDA Fund, however, engaging the services of consultant Jonnalynne Walker to deal with the County regarding tax increment issues has utilized some of that funding.

Mr. Hansen stated this is still a positive process when considering the necessary funding to amend these two areas in context of savings to be realized in the area between \$600,000-\$700,000. He offered clarification there are no material changes to any increment as collected; and the consultant is currently working to ensure that Riverdale is receiving everything they should from Weber County.

Mr. Hansen stated this is merely information for the RDA Board, as he feels the RDA can absorb these costs. He stated it just might take a lot more time and money to get this accomplished.

Closed Executive Session

Chairman Burrows indicated the closed executive session is no longer necessary at this time.

With no further business to come before the Board at this time, Mr. Gibby moved to adjourn the meeting. Mrs. Brough seconded the motion. The motion passed unanimously. The meeting adjourned at approximately 8:36 p.m.

Attest:

Approved: November 16, 2004

Larry L. Hansen
Executive Director

Bruce Burrows
Chairman