

Coos County Urban Renewal Agency
Board Meeting

Thursday, January 19, 2017, 4:30pm

125 Central Ave, Coos Bay, OR 97420
2nd Floor Conference Room

**COOS COUNTY URBAN RENEWAL AGENCY
NORTH BAY DISTRICT**

P.O. Box 1215 • Coos Bay, Oregon 97420 • 541-267-7678

M E M O R A N D U M

TO: Coos County Urban Renewal Agency Board
and all Interested Parties

FROM: John Burns, Agency Administrator

DATE: January 5, 2017

SUBJECT: CCURA Meeting Notice

NOTICE OF REGULAR CCURA MEETING

A public meeting of the Coos County Urban Renewal Agency Board – North Bay District, Coos County, State of Oregon, will be held in the Port of Coos Bay Second Floor Conference Room, located at 125 Central Avenue, Suite 230, Coos Bay, Oregon, 97420. The meeting will take place on **Thursday, January 19, at 4:30 p.m.**

JB:mg

**COOS COUNTY URBAN RENEWAL AGENCY
REGULAR BOARD MEETING
4:30 P.M Thursday, January, 19, 2017**

Port of Coos Bay Conference Room, 125 Central Avenue, Suite 230, Coos Bay, Oregon 97420

AMENDED AGENDA

1. CALL MEETING TO ORDER

2. INTRODUCTION OF GUESTS

3. CONSENT ITEMS

- A. Approval of September 27, 2016, Board Meeting Minutes..... 4
- B. Audit Financial Report Fiscal Year 2014-2015Provided Separately
- C. CCURA Board Membership Renewals/Replacements – As approved by Coos County 8

4. ACTION ITEMS

- A. **Authorization to Execute with Howard Consulting** – Presented by Fred Jacquot 11
- B. **Update on Fundraising for Health & Science Tech Building** – Presented by SWOCC Foundation
- C. **Presentation from Boys Scouts of America** – Presented by Chris McKlosky and Jerry McKlosky

5. PUBLIC COMMENT

6. SCHEDULE NEXT MEETING DATE

7. OTHER/ADJOURN

Consent Items

**COOS COUNTY URBAN RENEWAL AGENCY
& BUDGET COMMITTEE MEETING
Tuesday, September 27th, 2016, 4:30pm
Port of Coos Bay, 2nd Floor Conference Room**

DRAFT MINUTES

ATTENDANCE

Agency Board Members: Chairman Todd Goergen, At Large; Thomas Leahy; Mike; Eric Farm, Port Commissioner; Brianna Hanson, Port Commissioner; John Sweet, Coos County; Melissa Cribbins, Coos County; Nathan McClintock, Legal Counsel; Jennifer Groth, City of Coos Bay; Howard Graham, City of North Bend; Mike Vaughan, City of Coos Bay;

Guests: Hans Gundersen, Port Staff; John Burns, Port Staff; Fred Jacquot, Port Staff; Charlotte Menten, Port Staff. Natalie Nikirk; Darla & Jerry Lesan; Scott Keillor, BergerABAM; Nick Popenik, Tiberius Solutions; Jody McCaffree, Bill McCaffree; Bob Braddock, Jordon Cove; Sue Smith; Rodger Craddock, City of Coos Bay; JC Williams; John Clarke, Douglas county; Kathy Dodds

1. CALL TO ORDER CCURA BOARD MEETING

Chair Todd Goergen called the meeting to order at 4:31pm

2. INTRODUCTIONS

3. PRESENTATION BY BOB BRADDOCK

Bob Braddock came to the meeting to update the members on the status of the Jordan Cove Project. The facility itself is planned to carry 6 million tons of LNG, and has the possibility to be expanded in the future if needed. The pipeline is estimated to be 232 miles long, and will be stationed on the North Spit.

Mr. Braddock reminded the agency that FERC denied their application on March 11, 2016, due to the lack of market support shown for the project. On April 8th, a request for rehearing was submitted, and on May 9th, FERC said that they would consider a rehearing. Mr. Braddock informed the agency that they no longer have the means to act on a specific timeline to make a decision. Even so, they expect to hear about a decision after the election this November.

Since FERC's decision, they have focused their efforts on gaining market support. Currently they have received preliminary commitments for 77% of the LNG that will come through the facility. They are also working on an acquisition for a pipeline right-a-way with their parent company Veresen. They also have approximately 38% of the individual

landowners that have issued contractual rights for the pipeline. Though most of the pipeline will run through timber and federal lands.

Since then, they have focused on the deficiency that the project has, lack of market support. Thus far they have received preliminary commitments for 77%. An acquisition for a pipeline right-a-way is underway with the parent company Veresen. Currently there is approximately 38% of the individual landowners that have issued contractual rights for the pipeline. Most of the pipeline will run through timber and federal lands. The appeal of Jordan Cove over other LNG facilities is that it has a shorter shipping distance to Japan, and other Asian markets that are currently moving away from nuclear and towards newer more efficient natural gas plants.

Earlier this year the parent company Veresen went forward with contractors to produce bids for the construction of the facility. The bids will come in mid-November and they are expected to make a decision by the end of this year or early 2017.

4. APPROVAL OF MINUTES

Upon a motion by Eric Farm (Second by Jennifer Groth), the Agency Board Members voted to approve the June 9, 2015 Agency Meeting Minutes.

Motion Passed

5. ACTION ITEMS

a. Approval of Online Banking Access for Umpqua Bank Account

Upon a motion by John Sweet (Seconded by Brianna Hanson) the Agency Board Members voted to Approve Online Banking Access for Umpqua Bank Account.

Motion Passed

b. Approval of Budget Restructuring-Reducing Number of funds to Just General Fund

Upon a motion by John Sweet (Seconded by Jennifer Groth) the Agency Board Members voted to Approve Budget Restructuring-Reducing Number of Funds to Just General Fund on the contingency that it is allowed by the legal counsel.

Motion Passed

c. Approval of New Legal Counsel

Upon a motion by Eric Farm (Seconded by Howard Graham) the Agency Board Members voted to Approve New Legal Counsel.

Motion Passed

d. CCURA Board Member Renewals

The Agency will revisit this motion during the December 12, 2016 meeting.

e. CCURA Plan Amendment Solicitation

Mr. Jacquot introduced two of the members of Elaine Howard Consulting, who were there to present their plan for the board. He explained that at the previous board agency meeting a motion was passed to have consulting firms submit a RFP to amend the agency's plan. At that time, an advisory committee was also formed to oversee the RFP process. The advisory committee thought it would be beneficial for successful proposers to have the opportunity to speak to the board at the next meeting.

Elaine Howard Consulting had representative from team members BergerABAM and Tiberius Solutions, to present to the agency. Nick Popenik spoke on behalf of Tiberius Solutions, which is one of the many team members brought on to look at the project for the Elaine Howard team. His specific focus is on the financial aspect of the plan.

Mr. Popenik explained that one of the major points that the agency needs to consider and address is the current plan has an expiration date that is fast approaching. Right now the agency needs to work on amending the plan, working within the statutes, to change that expiration date. Essentially if the date is not amended the agency will no longer be active, thus the community will no longer have the agency as a tool to economic development.

Scott Keillor from BergerABAM, also spoke to the agency. Mr. Keillor let the agency and public know that he is familiar with how the port, the waterfront and the North Spit operate. He explained that his main focus would be to bring on an engineer to help asses projects that were completed or not completed, as well as any future projects the CCURA has in mind for the site. Their focus would be to create a larger stakeholder process; whether it be through active workshops, meetings, etc. It would be important to have meaningful input as well as market assessment to create a plan that is informed by the key stakeholders. With the goal to have better funding to leverage resources for both economic development and job growth.

Upon a motion by Eric Farm (Seconded by Mike Vaughn) the Agency Board Members voted to Approve the CCURA Plan Amendment Solicitation.

Motion Passed

6. PUBLIC COMMENTS

Natalie Ranker of Coos County voiced her concerns about Jordan Cove's refusal to show their contracts and feels that the people have been deceived by the parent company, Veresen. She also has major concerns for the fisheries that will be affected, commercial and recreational, as well as the facility being in the Tsunami zone.

Jody McCaffree of CALNG stated that she believes that the project is not viable, and that there is a flood of LNG on the market already and that fossil fuels are on their way out and that clean energy is on the rise. She believes that the CCURA should support a different industry. She also raised concerns about the siting location

JC Williams of North Bend wanted those in favor of Jordan Cove to know that those against it are still there. She wants the agency to think about the fact that we are in an area that is susceptible to a large seismic event, and what an LNG facility could mean if there was a major earthquake and/or tsunami event.

John Clarke a retired fireman, expressed major concerns about the response time that is expected to take place on the site of Jordan Cove facility. He says he spoke to fire departments and that currently there are not enough firemen available on site for the recommended 4-minute response time.

7. OTHER BOARD COMMENTS

The next meeting is set for the December 12, 2016 at 4:30pm

8. ADJOURN

Todd Goergen adjourned the meeting at 6:10pm

1 BOARD OF COMMISSIONERS
2 COUNTY OF COOS
3 STATE OF OREGON
4

5 In the Matter of Making Appointments) ORDER
6 to the Urban Renewal Agency Board)
7 of Directors) 17-01-002C

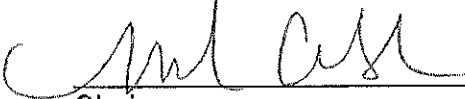
8 NOW BEFORE THE Board of Commissioners on the 17th day of January, 2017
9 is the matter of making appointments to the Urban Renewal Agency Board of Directors;

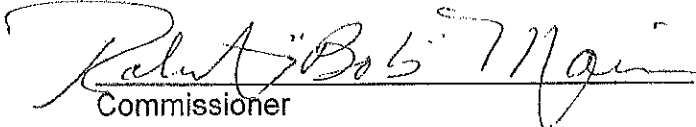
10 AND IT APPEARING that the individuals are duly qualified and willing to serve
11 on the Urban Renewal Agency Board of Directors;

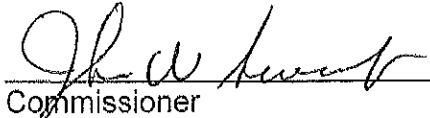
12 NOW, THEREFORE, IT IS HEREBY ORDERED that Joe Benetti and Jennifer
13 Groth will represent the City of Coos Bay, Howard Graham and Mike Erbele will
14 represent the City of North Bend, Eric Farm and Brianna Hanson will represent the Port
15 of Coos Bay, and Todd Goergen and Adam Foxworthy will be at-large members on the
16 Urban Renewal Agency Board of Directors to terms of 2 years, said terms to expire
17 December 31, 2018;

18 DATED this 17th day of January, 2017.

19 BOARD OF COMMISSIONERS

20 
21 _____
22 Chair

23 
24 _____
25 Commissioner

26 
27 _____
28 Commissioner

AGENCY BOARD

Chair Todd Goergen

At Large
P.O. Box 97
925 North Front Street
Coos Bay, OR 97420
Cell Phone: 290-0463
Fax: 267-6604
todd@arcticiceoforegon.com
12/31/18 – 2 yr. term

Adam Foxworthy

At Large
12/31/18 – 2 yr. term

Mike Erbele

City of North Bend
1612 Sherman Ave
North Bend, OR 97459
Cell: 297-6334
Work: 756-6334
lamcomike@hotmail.com
12/31/18 – 2 yr. term

Howard Graham

City of North Bend
2232 Wall Street
North Bend, OR 97459
Phone: 269-0355
Cell: 297-3886
Fax:
hd_graham@hotmail.com
12/31/18 – 2 yr. term

Joe Benetti

City of Coos Bay
P O Box 283
Coos Bay OR 97420
Phone: 267-6066
joe@benettis.com
12/31/18 – 2 yr. term

Jennifer Groth

City of Coos Bay
500 Central Ave
Coos Bay, OR 97420
541-217-8293
sjgroth@charter.net
12/31/18 – 2 yr. Term

Eric Farm

Port of Coos Bay Commissioner
125 Central Ave, Suite 300
Coos Bay, OR 97420
(541) 404-3426
ericfarm@portofcoosbay.com
12/31/2018 – 2 yr. term

Brianna Hanson

Port of Coos Bay Commissioner
125 Central Ave, Suite 300
Coos Bay, O 97420
(541) 297-9189
briannahanson@portofcoosbay.com
12/31/2018 – 2 yr. term

Melissa Cribbins

Coos County Board of Commissioners
250 N. Baxter
Coquille, OR 97423
Phone: 396-7539
Fax: 396-4861
mcribbins@co.coos.or.us
12/31/18 – 2 yr. term

John Sweet

Coos County Board of Commissioners
250 N. Baxter
Coquille, OR 97423
Phone: 396-7541
Fax: 396-7541
jsweet@co.coos.or.us
12/31/18 – 2 yr. term

Action Items

**COOS COUNTY URBAN RENEWAL AGENCY
BOARD OF DIRECTORS
ACTION/DECISION REQUEST**

DATE: January 19th, 2017

PROJECT TITLE: Agency Authorization to Execute Contract for Agency Plan Amendment

ACTION REQUESTED: Board of Directors' authorization for Board President Todd Goergen to execute contract with Howard Consulting Services, LLC for consulting services to complete a substantial amendment to the Coos County Urban Renewal Agency's North Bay Renewal Plan.

BACKGROUND:

At the direction of the Coos County Urban Renewal Agency Board of Directors, Port of Coos Bay staff worked with Agency and Port Counsels and the Agency Board President to negotiate with Howard Consulting Services, LLC, the contract scope of work, terms, and conditions for consulting services to amend the Agency's Urban Renewal Plan. The currently presented contract has passed legal and insurance review by Agency and Port Counsel and agents, and identifies the tasks and services desired by the Agency.

The proposed contract will be between Howard Consulting, LLC and the Coos County Urban Renewal Agency. Howard Consulting, LLC will manage the project, perform the base plan amendment, and coordinate the necessary public outreach and agency approval activities. Howard will subcontract with Tiberius Solutions and ECONorthwest for public finance and economic feasibility analysis of the base plan amendment, and BergerABAM and BST Associates for engineering and economic analysis of current and planned projects.

The Contract scope of work includes the base plan amendment work proposed in the Howard Consulting quote for the not to exceed fee of \$51,700, and the proposed options B and C to update and identify projects in the urban renewal district for the not to exceed fee of \$63,074. During negotiations with Howard Consulting it was determined that initiating the base work independent of the optional scope would result in a longer project schedule, redundant project activities, and additional project cost. The entire identified project scope is expected to take six months, and will be completed for the total not to exceed fee of \$114,774. Fees for this project will be paid for with the Professional Services budget in the Agency's Special Fund.

Additionally, as Howard Consulting is a sole-proprietor LLC, the standard Port contract insurance language was adjusted to better suit the planned contract activities and Howard Consulting's insurance portfolio. The language changes included modifications to the Employers' Liability limits, the General, Automotive, and Professional Liability requirements, and the deletion of the excess/umbrella coverage requirement.

Under the procurement rules governing this process, the Agency Board of Directors has the option to

reject the contract out of convenience; to postpone execution of the contract pending additional negotiation and review; to authorization execution of the contract as submitted; or to authorization execution of the contract with Board approved revisions. Rejection or postponement of contract execution will result in additional time necessary to complete the project, and may result in additional cost.

Port staff requests the Agency Board of Director's authorize Agency Board President Todd Goergen to execute the proposed contract with Howard Consulting, LLC to perform the base and optional scope of work identified in the contract body and exhibits for the specified not to exceed fee.

RECOMMENDED MOTION:

A motion by the Agency Board of Director's authorizing Agency Board President Todd Goergen to execute the contract with Howard Consulting, LLC to perform the base and optional scope of work identified in the contract for the not to exceed fee of \$114,774.

PROFESSIONAL SERVICES AGREEMENT

This Agreement is entered into effective the ___ day of January, 2017, by and between the **Coos County Urban Renewal Agency** (hereinafter referred to as "CCURA"), and **Elaine Howard Consulting, LLC.**, an Oregon Corporation (hereinafter referred to as "Consultant"). The purpose of this agreement is to establish the mutual and respective responsibilities, terms, and conditions under which Consultant will provide Consulting Services to the CCURA to amend and update the CCURA plan in accordance with pertinent Federal, State, and local law, statute, and ordinances related to urban renewal districts.

RECITALS

1. The Coos County Urban Renewal Agency is a duly existing urban renewal agency existing and functioning in conformance with ORS Chapter 457 pertaining to urban renewal agencies.
2. The Port of Coos Bay is an Oregon municipal corporation, and acts as the administrator for the Coos County Urban Renewal Agency pursuant to an intergovernmental agreement between the Port and the CCURA.
3. Elaine Howard Consulting, LLC is an Oregon corporation providing professional services, including but not limited to drafting and implementing urban renewal agency plans and plan amendments, and consulting on urban and regional planning.
4. The CCURA desires to execute a contract with Elaine Howard Consulting, LLC as an independent Consultant to amend the existing CCURA plan and provide such services necessary to that effort as set forth herein.

Therefore, the parties agree as follows:

1. RECITALS.

The above recitals are true and accurate and are incorporated herein by this reference.

2. DUTIES AND RESPONSIBILITIES.

2.1 Consultant agrees to provide professional services to the CCURA as directed by the Port on the terms and conditions set forth in this agreement and any future task orders that may be subsequently agreed upon by the parties. Consultant's duties shall consist of preparing and submitting a substantially amended Urban Renewal Agency Plan for the CCURA in accordance with pertinent Federal, State, and local law, statute, and ordinances related to urban renewal districts, and extending the Agency's existence past the currently planned 2018 expiration date. Details specific to these duties are described in the Scope of Work, Exhibit A, and Optional Tasks, Exhibit

B, to this Agreement, attached to this Agreement and incorporated herein by this reference. The scope of work for any future tasks associated with this work shall be determined later, and shall be described in a written Amendment signed by the parties to this Agreement.

2.2 Any additional Work beyond that set out in the preceding paragraph may be undertaken only upon an amendment to this Agreement, in writing and a written notice to proceed issued by the CCURA.

3. LENGTH OF AGREEMENT.

3.1 The term of this agreement will be for a period necessary to complete the scope of work items identified in Exhibits A and B, but shall not extend past July 31st, 2017 without written amendment to this agreement. Any additional work beyond the current scope will be in the form of written Task Orders. Each Task Order will determine the Work duration as agreed upon by the parties, and in setting out any additional modifications to this Agreement

4. COMPENSATION.

4.1 For services rendered pursuant to this Contract, the CCURA shall pay Consultant as described below:

4.2 Services will be provided on a time and materials basis for the task items listed in the base Scope of Work, attached as Exhibit A to this Agreement and incorporated herein by this reference.

4.3 Services for the proposed base scope of work, identified in Exhibit A as Tasks 1 through 3 combined, will be provided for the not-to-exceed total fee of \$51,700.

4.4 Additional identified services will be provided on a time and materials basis for task items listed as Option B and Option C, listed in the Optional Tasks scope of Work, attached as Exhibit B to this Agreement and incorporated herein by this reference

4.5 Services for the proposed Optional Tasks scope of work, identified in Exhibit B as Option B and Option C combined, will be provided for the not-to-exceed total fee of \$63,074.

4.6 All services for this contract, identified in contract paragraphs 4.3 through 4.5 inclusive, will be provided for the total combined not-to-exceed fee of \$114,774.

4.7 CCURA shall pay Consultant only after Consultant has submitted an invoice to CCURA for the work performed and the materials used, with a copy of each invoice also submitted to the Port. The CCURA must approve the invoice, and payment to Consultant shall be made within 30 days after the invoice has been submitted by Consultant to CCURA, unless the CCURA objects to the amount of the invoice. All

disputes over the amount charged by Consultant to CCURA shall be resolved as provided in Section 19.

4.8 CCURA's payment of any amount to Consultant shall not be considered acceptance or approval of any work or waiver of any defects therein by Port or CCURA.

4.9 Any adjustment in the amount of compensation to Consultant shall be in the form of a written amendment to this Agreement, and become a part of this Agreement.

5. ADDITIONAL CONDITIONS OF EMPLOYMENT.

5.1 As requested by CCURA, Consultant agrees to provide all tools or equipment necessary for the performance of the services contracted for herein.

5.2 The parties contemplate that this agreement will include regular communication between Consultant, the CCURA and Port staff.

6. INDEPENDENT CONSULTANT STATUS.

6.1 The Parties hereto mutually agree that Consultant will be free from the direction and control of the CCURA, or Port, over the means and manner of providing the services contracted for herein, subject only to the right of the CCURA or Port to specify the desired results.

6.2 The Parties hereto mutually agree that Consultant has the authority to hire and fire its own employees.

6.3 As a condition of entering into this contract, Consultant represents to the CCURA and Port as follows:

6.3.1 Consultant is an independently established business providing similar services to others.

6.3.2 Consultant is responsible for obtaining all assumed business registrations required by State law or local government ordinance in order to conduct its business.

6.3.3 Federal and state income tax returns in the name of the business, or a business schedule C, were filed for the previous year if Consultant performed labor or services as an independent Consultant in the previous year.

6.3.4 Consultant has performed services for two or more different persons or businesses within a calendar year.

6.3.5 Consultant assumes financial responsibility for services provided

through appropriate insurance coverage(s).

7. INSURANCE.

CCURA will require insurance as generally indicated below.

Contractor shall, at its expense, obtain and maintain during the period of this Contract, in a form and with companies satisfactory to CCURA, the following insurance coverage:

7.1 Workers' Compensation insurance to meet fully the requirements of Oregon Workers' Compensation laws applicable in connection with the death, disability or injury of Contractor's officers, agents, servants or employees arising directly or indirectly out of the performance of this contract, with a waiver of subrogation against the CCURA and the Oregon International Port of Coos Bay (hereinafter "Port"), and each additional insured identified herein.

7.2 Employers' Liability Insurance with Limits of not less than Five Hundred Thousand (\$500,000) each accident, Five Hundred Thousand (\$500,000) policy limit for disease, and Five Hundred Thousand (\$500,000) each employee for disease;

7.3 Commercial General Liability Insurance with a combined single limit of not less than Two Million Dollars (\$2,000,000) per occurrence for injury to or death of persons and damage to or loss or destruction of property. Said policies shall be endorsed to name the Port and the CCURA, and its divisions, officers and employees as additional insured's and shall include a severability of interests provision.

7.4 Automobile Liability Insurance with a combined single limit of not less than One Million Dollars (\$1,000,000) each occurrence for injury to or death of persons and damage to or loss or destruction of property.

7.5 Professional Liability Insurance, including errors and omissions coverage, with limits of not less than \$2,000,000.00 per claim.

7.6 If Consultant's policies lapse or are canceled at any time during the term of this Contract, Port shall have the right to immediately terminate all of Consultant's activities until such insurance requirements have been fully satisfied by Consultant.

Consultant shall furnish certificates of insurance and endorsements to CCURA's Project Manager, Fred Jacquot, at P.O. Box 1215, Coos Bay, OR 97420-0311, certifying the existence of such insurance. Consultant shall require all sub-Consultants or subcontractors who are not covered by the insurance carried by Consultant to maintain the insurance coverage described in this Section.

Each insurance policy required by Section 7.3 shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or limits, or not renewed without thirty (30) days advance written notice to Port.

With respect to the insurance required by Section 7.1, 7.3, and 7.4, Consultant agrees to waive all rights of subrogation against CCURA and each additional insured as identified herein. With respect to the insurance required in 7.3 and 7.4 such insurance shall be primary and without right of contribution from any insurance maintained by CCURA.

The CCURA reserves the right to review, investigate and reject insurance companies proposed to be used by Consultant if they are determined inadequate to provide the necessary coverages as herein specified. All insurance required herein to be purchased and maintained by Consultant shall be obtained from an insurance company licensed or approved in the State of Oregon to issue the insurance policies for the limits and coverage's required herein.

The insurance coverage required herein shall in no way limit the Consultant's liability under this Contract.

8. INDEMNIFICATION.

Consultant shall indemnify, and hold harmless the Indemnified Parties (defined below) from and against any and all liability, losses, damages and costs (including but not limited to attorneys' fees and, in the case of item (b) below, royalty payments) and expenses arising from or in connection with:

(a) claims for personal injury (including death) and/or property loss or damage to whomsoever or whatsoever to the extent caused by Consultant's negligent performance of:

the Work,

or arising in any manner out of Consultant's negligent execution of this Contract,

or any negligent act or omission of Consultant, its directors, officers, agents or employees, or the presence of Consultant, its directors, its officers, agents or employees upon or about the property, premises or rights-of-way of the CCURA or Port, whether or not negligence on the part of any Indemnified Party may have caused or contributed to such injury, death, loss or damage; arising directly or indirectly out of or in connection with the negligent performance by Consultant of any of its obligations, operations or activities under this Contract, including, but not limited to any claims for injury to persons or property, nuisance, mechanics' and materialmens' liens, workers' compensation and unemployment taxes, fines and penalties and environmental damage, provided, however, that if, under the law applicable to enforcement of this Contract, an agreement to indemnify against the indemnitee's own negligence is invalid, then in that event Consultant's obligation to indemnify the CCURA or Port under this section shall be reduced in proportion to the negligence of the CCURA or Port, if any, which proximately contributed to such injury, death, loss or damage;

(b) any claim of infringement of patent rights arising from the use of any of the articles, materials, equipment or designs furnished in connection with the Work or named in this Agreement; and,

(c) any claims, fines, penalties or other charge or loss arising from any alleged violation of any statute, code, or ordinance or regulation of the United States or of any state, county or municipal government that results in whole or in part, directly or

indirectly, from the activities of Consultant's officers, agents, employees or sub-Consultants related in any way to this Agreement, or from any act or omission of Consultant, its officers, agents, employees or sub-Consultants contributing to such violation, regardless of whether such activities, acts or omissions are intentional or negligent, and regardless of any specification by the CCURA or Port without actual knowledge that it might violate any such statute, code, ordinance or regulation (these laws, ordinances and regulations, include, without limitation, all laws, ordinances and regulations relating to air, water, noise, solid waste and other forms of environmental protection, contamination or pollution, as well as all laws, ordinances and regulations relating to discrimination on the basis of disability).

As used in this Section 8, the terms "Indemnified Parties" and "Indemnified Party" shall mean and include, collectively and singularly, (i) CCURA, (ii) Port, (iii) any direct or indirect subsidiary of CCURA or the Port, (iii) any officer, director, Commissioner, employee, shareholder or agent of CCURA or Port or of any of its direct or indirect subsidiaries and their divisions, directors, officers and employees.

9. TERMINATION.

9.1 Reasons for Termination. Consultant acknowledges that it is an at-will independent Consultant. The CCURA reserves the right to terminate this Contract at any time, with or without notice, with or without cause and for any reason not prohibited by law.

By way of example, but not in limitation of the CCURA's rights to terminate Consultant for any reason whatsoever, grounds for termination include, but are not limited to, conduct that is seriously prejudicial to and which substantially affects the fundamental mission of the CCURA including, but not limited to the following:

- (a) Fraud, dishonesty or any other act of misconduct in the performance of Consultant duties on behalf of the CCURA;
- (b) Failure to perform any provision of this Contract required to be performed by Consultant;
- (c) Conduct detrimental to the interests of the CCURA;

9.2 Notice of Termination. Notice of Termination may be given in writing at least forty eight hours prior to the effective date of discharge or termination. Such notice may include a statement of the reasons constituting the termination. If notice is given, Consultant shall be entitled to meet with the CCURA Board of Commissioners (Board), or their designee, to discuss such reasons and to refute, orally or in writing, such charges. Such meeting shall be at a time and place convenient to the CCURA and Port. The CCURA Board, or designee, may elect to have its attorney, or the Port's attorney present at any such meeting. After such meeting, the CCURA Board, or designee, will decide whether Consultant should be terminated, and will notify Consultant of the decision, in writing, within seven (7) working days of the meeting. If

the CCURA Board makes a decision to terminate the Agreement, Consultant may, within five (5) days after receiving the CCURA's written decision, appeal the decision to the full agency board. Consultant may be represented by legal counsel at such meeting at Consultant's sole cost and expense. Such meeting may be conducted in executive session as provided by Oregon law unless Consultant requests a public hearing. Consultant shall be provided a written decision regarding the results of the meeting.

9.3 Termination by Consultant. If Consultant desires to terminate, Consultant shall give at least two weeks' written notice to the CCURA. If less than two weeks' notice is given, then Consultant shall pay, or forfeit to the CCURA, all amounts due under paragraph 4 at the time notice is given.

10. NOTICES.

10.1 Any notice or other communication required or permitted to be given under this agreement shall be in writing and shall be mailed by Certified Mail, Return Receipt Requested, postage prepaid, addressed to the parties as follows:

Coos County Urban Renewal Agency
c/o Nathan McClintock
PO Box 1178
Coos Bay, OR 97420

Elaine Howard Consulting, LLC
Elaine Howard, Principal
4763 SW Admiral St.
Portland, OR 97221

with a copy to:

John Burns, Chief Executive Officer
Oregon International
Port of Coos Bay
P.O. Box 1215
Coos Bay, OR 97420

And a copy to:

Michael R. Stebbins or James C. Coffey
Attorney at Law
P. O. Box 1006
North Bend, OR 97459

10.2 Any notice or other communication shall be deemed to be given at the expiration of the second day after the date of deposit in the United States mail. The addresses to which notices or other communication shall be mailed may be changed from time to time by giving written notice to the other party.

11. ATTORNEY FEES.

In the event any action, suit, arbitration or other proceeding shall be instituted by either party to this contract to enforce any provision of this Contract or any matter

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arising therefrom or to interpret any provision of this Contract, including any proceeding to compel arbitration, the prevailing party shall be entitled to recover from the other a reasonable attorney fee to be determined by the Court or Arbitrator(s). In addition to recovery of a reasonable attorney fee, the prevailing party shall be entitled to recover from the other costs and disbursements, including all costs of Arbitration and the Arbitrator(s) fees, and expert witness fees, as fixed by the Court or tribunal in which the case is heard.

In the event any such action, suit, arbitration or other proceeding is appealed to any higher court or courts, the prevailing party shall recover from the other a reasonable attorney fee for prosecuting or defending such appeal or appeals, in addition to the reasonable attorney fees in the lower court, or courts, or arbitration proceeding, such fee to be determined by the appellate court or lower court or arbitrator, as the appellate court may determine. In addition to recovery of a reasonable attorney fee on appeal, the prevailing party shall be entitled to recover from the other costs and disbursements and expert witness fees as fixed by the appellate court. All costs and disbursements which may be awarded pursuant to this paragraph shall bear interest at the maximum legal rate from the date they are incurred until the date they are paid by the losing party.

12. AMENDMENTS.

This Agreement may be amended only by an instrument in writing executed by all the parties.

13. HEADINGS.

The headings used in this Agreement are solely for convenience of reference, are not part of this Agreement, and are not to be considered in construing or interpreting this Agreement.

14. ENTIRE AGREEMENT.

This Agreement sets forth the entire understanding of the parties with respect to the subject matter of this Contract and supersedes any and all prior understandings and agreements, whether written or oral, between the parties with respect to such subject matter.

15. SEVERABILITY.

If any provision of this Agreement shall be invalid or unenforceable in respect for any reason, the validity and enforceability of any such provision in any other respect and of the remaining provisions of this agreement shall not be in any way impaired.

16. WAIVER.

A provision of this Agreement may be waived only by a written instrument executed by the party waiving compliance. No waiver of any provision of this Agreement

shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. Failure to enforce any provision of this Agreement shall not operate as a waiver of such provision or any other provision.

17. GOVERNING LAW.

This agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

18. ARBITRATION.

18.1 If requested in writing by either party, the parties shall attempt to resolve any dispute between them arising out of or in connection with this Agreement by first entering into structured non-binding negotiations with the assistance of a mediator on a without prejudice basis. The mediator shall be appointed by agreement of the parties. If a dispute cannot be settled within a period of thirty (30) calendar days with the mediator then the dispute shall be referred to arbitration in Coos County, Oregon.

18.2 Any controversy or claim arising out of or relating to this Agreement, including, without limitation, the making, performance or interpretation of this Agreement, shall be settled by binding arbitration in Coos County, Oregon, and any Judgment on the arbitration award may be entered in any court having Jurisdiction over the subject matter of the controversy.

18.3 Any party asserting a claim arising out of or relating to this Agreement may make a written demand for binding arbitration in the event non-binding arbitration fails to achieve a mutually acceptable resolution. In this event, the parties shall agree to submit their controversy to binding arbitration before a single arbitrator. The arbitrator shall be an attorney licensed to practice law in the State of Oregon. If the parties cannot agree within 30 days to the selection of a single arbitrator after the election to arbitrate, either party may request that the selection of an arbitrator be made by a Judge of the Circuit Court of the State of Oregon for Coos County. The dispute shall be heard by the arbitrator selected within 90 days thereafter, unless the parties agree otherwise.

18.4 The parties will pay their own costs of arbitration, and each will be obligated for one-half of the arbitrator's fee. The provision of Section 11 shall also apply to arbitration, and in the event of arbitration under the provisions of this Agreement, the prevailing party shall be awarded reasonable attorney fees and related costs.

18.5 If arbitration is commenced, the parties agree to permit discovery proceedings of the type provided by the Oregon Rules of Civil Procedure both in advance of, and during recess of, the arbitration hearings. ORS 183.450(1) through (4), where applicable, shall control the admission of evidence at the hearing in any arbitration conducted hereunder, provided however no error by the arbitrator in application of the statute shall be grounds as such for vacating the arbitrator's award. Each party shall be entitled to present evidence and argument to the arbitrator. The arbitrator shall give written notice to the parties stating the arbitration determination and

shall furnish to each party a signed copy of such determination and Judgment so the award may be entered in any court having Jurisdiction over the parties. The parties agree that all facts and other information relating to any arbitration arising under this contract shall be kept confidential to the fullest extent permitted by law.

18.6 The parties agree that the arbitrator shall have no Jurisdiction to render an award and/or Judgment for punitive damages. The parties agree that the decision of the arbitrator shall be final and binding on the parties and a Judgment may be entered on the arbitrator's award. Unless otherwise inconsistent herewith, the provisions of ORS Chapter 36 shall apply to any arbitration hereunder. The duty to arbitrate shall survive the cancellation or termination of this contract.

18.7 Service of process in connection therewith shall be made by certified mail. In any judicial proceeding to enforce this agreement to arbitrate, the only issues to be determined shall be the existence of the agreement to arbitrate and the failure of one Party to comply with that agreement, and those issues shall be determined summarily by the court without a jury. All other issues shall be decided by the arbitrator, whose decision thereon shall be final and binding. There may be no appeal of an order compelling arbitration except as part of an appeal concerning confirmation of the decision of the arbitrator.

18.8 Neither Party shall institute any legal proceeding against the other to enforce any right hereunder or for breach hereof, except that either Party may institute litigation (i) to enforce its rights of arbitration hereunder (ii) to confirm and have judgment entered upon any arbitration award issued hereunder, and (iii) to stay the running of any statute of limitation or prevent any other occurrence (including, without limitation, the passage of time) which would constitute laches, estoppel, waiver or any other such legal consequence that suit is necessary to avoid, provided, however, that neither Party shall pursue litigation under item (iii) beyond such action as is necessary to prevent prejudice to its cause of action pending ultimate resolution by arbitration under this Section 18.

18.9 If any dispute between the Parties arises from or in connection with any claim of litigation initiated by any third party (either as claimant, plaintiff, counterclaimant, or defendant/third Party plaintiff), then, unless the Parties agree otherwise, the resolution of that dispute under the arbitration provisions of this Section may at the option of either Party be deferred until the resolution of that third-party claim or litigation, provided, however that in the event of any such dispute in connection with a claim or litigation so initiated by a third party, either Party may at any time initiate arbitration under this Section 18 to determine prospective liability between the Parties upon facts which are stipulated, admitted solely for the purpose of arbitrating prospective liability, or not reasonably in dispute. The issue of whether any fact is "reasonably in dispute" under the preceding sentence shall be subject to mandatory arbitration hereunder upon the demand of either Party. In the event the CCURA or Port is made a party to such claim or litigation so initiated by a third party, the CCURA and/or Port shall select its own counsel and have complete control over all claim or litigation decisions concerning its participation in that claim or litigation, regardless of whether the

CCURA or the Port is required to, or in fact does, initiate a cross claim, counterclaim, or third-party claim under Subclause (iii) of Subsection 18.8 above, and regardless of Consultant's indemnity obligations under Section 8 above.

IN WITNESS WHEREOF, the parties have signed duplicate originals of this Contract to become effective on the date and year hereinabove mentioned.

**OREGON INTERNATIONAL PORT OF
COOS BAY**

CONSULTANT

By _____
Coos County Urban Renewal Agency
Todd Goergen
President, Board of Commissioners

By _____
Elaine Howard Consulting, LLC.
Elaine Howard
Principal

Scope of Work

Approach

The Port requires a substantial amendment to their existing urban renewal plan. The process for amending an urban renewal plan, and the content of the documents required are dictated by Oregon Revised Statutes (ORS). Thus, the statutes provide a clear path to follow for determining *how* to amend a plan. But, the path is less clear for determining *what* amendments you want to make to your plan.

The RFQ specifically mentions plan duration as the impetus for this amendment. Additionally, email clarification from Port staff confirmed that the base scope of work should focus on this key element of the Plan. Although other key aspects of the plan should potentially be updated as well, including: boundary, goals and objectives, project list, and maximum indebtedness. These other elements are to be addressed in the Optional tasks, rather than the base scope of work.

Our base scope of work follows a process that we have used in other jurisdictions to allow us to work with Agency staff and decision-makers to evaluate potential changes to each of these aspects of a plan, and make clear decisions on the content of the plan amendment. **Note that the analysis proposed in the base scope of work, assumes no analysis by the consultant team regarding changes to the Plan project list.**

Work Plan - Base: Urban Renewal Plan Amendment

The following tasks would be required to update the urban renewal plan, regardless of any of any of the optional tasks that could potentially be added to the scope of work.

Task 1. Project management and coordination with Agency staff

Includes participation of key staff in regularly scheduled conference call meetings. Assumes 12 meetings by phone (not all members of the consultant team will participate on each call)

Additional in person meetings with Agency staff (assumes two trips to Coos County)

- Initial project kick-off meeting to tour area, review past urban renewal plan and related public facility plans provided by the port, review project list to discern those completed, review project completeness and update original cost estimates not completed and potential new projects. Review

Maximum Indebtedness used to date and remaining capacity. Review budget for next fiscal year.

- Follow-up meeting to review all key assumptions for the final Plan Amendment documents.
- Additional meetings (outside of proposed budget) as directed by Agency staff to gather input on project list and other key assumptions for Plan amendment, and to reach consensus on key decisions. Each meeting will have per meeting travel cost and meeting time will be billed at the hourly rate of those consultants attending.

Task 2. Required public meetings for adoption

The consultant team would attend and participate in the following meetings in-person in Coos County (assumes 3 meetings):

- Coos County Urban Renewal Agency – 1 meeting
- Coos County Planning Commission – 1 meeting
(Assumes public Open House scheduled on same date as Planning Commission meeting, allowing consultant team to attend, facilitate, and document public input)
- Coos County Commission – 1 meeting.
Although we assume adoption of the Plan Amendment Ordinance will require two meetings, the second reading of the Ordinance is typically perfunctory and does not require attendance of the consultant team in person.
- We anticipate the Port of Coos Bay may desire one or more additional meetings that are not required by statute. If additional meetings are requested, it can be added to the budget during scoping negotiations.

Task 3. Document Preparation

We will prepare the following documents necessary for adoption of the Plan Amendment:

- Coos County Urban Renewal Plan Amendment
- Report on Coos County Urban Plan Amendment
- Coos County Urban Renewal Agency Report
- Coos County Planning Commission Report
- Taxing Jurisdictions Memorandum satisfying “consult and confer” responsibilities
- Coos County - County Commission Report
- Coos County Ordinance
- Notice for Open Public Meeting
- Notice for Planning Commission Meeting
- Notice for County Commission Meeting
- Notice of Adoption
- Letter of transmittal to County Assessor/Recorder

Preparation of an Urban Renewal Plan Amendment in accordance with requirements of ORS 457.085. Some of this information is boilerplate and required in all urban renewal plans. Other information is specific to the Area. The information specific to the Coos County Urban Renewal Plan is:

- Goals and Objectives for the Area. This would be based on the review of the projects and input of the city staff.
- Outline of Major Urban Renewal Activities (Projects and Programs).
- Relationship to Local Objectives (the documents to be reviewed are the Comprehensive Plan and relevant documents as identified by the Community Development Director. If an Economic Development Plan exists, it must also be reviewed).

The components of an urban renewal plan substantial amendment in accordance with ORS 457.085 (2) are:

- A description of each urban renewal project to be undertaken.
- An outline of the major project activities planned for the urban renewal area or areas.
- A map and legal description of the urban renewal area.

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- An explanation of how the plan relates to local objectives, such as relevant objectives of the comprehensive plan, and other pertinent local planning efforts.
- An indication of proposed land uses (which must conform to the comprehensive plan and zoning code).
- A description of relocation methods for residents or businesses that must move because of Agency projects
- If public acquisition of property is required by the plan, a description of property to be acquired by the Agency (if any) and how it will be disposed of (e.g. sale or lease), along with a schedule for acquisition and disposition.
- A limit on the maximum amount of indebtedness to be issued to carry out the plan.
- A description of what types of changes to the plan are to be considered substantial amendments. (see above)
- If the plan calls for the development of a public building (e.g. a fire station), an explanation of how the building serves or benefits the urban renewal area.

Preparation of a Report which accompanies the Urban Renewal Plan Amendment. The specific requirements of an urban renewal report are:

- A description of the physical, social and economic conditions within the urban renewal area and the impact of the plan, including fiscal impacts, in terms of increased population and the need for additional public services.
- The reasons why the urban renewal area (or areas) was selected.
- The relationship between each urban renewal project and the conditions within the area.
- A relocation report which includes an analysis of businesses or residents that may be required to relocate and a description of the methods to be used in the relocation program; and an analysis (number and cost range) of the existing housing units that may be destroyed or altered and the housing units that may be added.
- The estimated costs of the projects and the sources of project funding.
- The completion date for each project.

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- The amount of tax increment funds that are estimated to be required and the year in which the Agency plans to pay off all outstanding tax increment indebtedness.
- A financial analysis that shows the plan to be financially feasible.
- An analysis of the impact on the tax rates and/or revenues of the taxing districts that overlap the urban renewal area; and
- A relocation report.

Port Responsibilities

This work will involve coordination with Agency staff on identifying the blighting conditions, the projects and the portions of the projects which would be funded with urban renewal, specifying funding amounts and detailing the finance plan. It will also require working with staff to identify the existing conditions of the projects which are identified.

The Port, facilitating for the Coos County Urban Renewal Agency, will provide the following:

- Existing plans including the Coos County Comprehensive Plan, Coos County Economic Development Plan, Port Master Plan and any utility master plans that identify blighting conditions in the Area.
- Information on projects to be included in the Plan and on which projects they will want economic analyses completed.
- Information on potential development in Area which will increase the assessed value of the Area.
- Meeting space for all meetings and copying of documents for all meetings
- Costs for publishing notice for all meetings: open public meeting and planning commission meetings. Notice language provided by consultant.
- Preparation and mailing of super-notice required for a substantial amendment to an urban renewal plan and report. Notice language provided by consultant.
- Mailing of taxing jurisdictions notices. Notice prepared by consultant.
- Preparation of legal description for Area, if boundary changes.
- Recording of plan on adoption. Recording cover provided by consultant.

Optional tasks

BergerABAM and BST Associates are members of the consultant team to specifically help us assist the Port in evaluating what potential projects would be most beneficial to achieving the urban renewal agency's economic development goals, and updating the cost estimates for these specific projects. The RFQ identifies various options for how BergerABAM and BST Associates could carry out this analysis, including:

- ~~Option A: Review of previously completed Plan projects.~~
- Option B: Review of projects in the Plan but not yet completed.
- Option C: Review of projects outside of the Plan that are not yet completed, but recommended for inclusion through Plan amendment.

We do not see these options as mutually exclusive, but as potentially additive. In other words, there is no reason why the Port could not elect to proceed with all three options, which would most thoroughly evaluate all potential projects in the area including past successes, projects included in the Plan but not yet completed, and projects that are not a part of the Plan, but could potentially be added to most effectively help the Agency achieve its goals.

Regardless of whether the Port elects to proceed with multiple options, if the Port desires any significant analysis on potential changes to the project list, then that would require significant involvement of BergerABAM and BST Associates in the process identified as part of the base scope of work. In which case, key personnel for BergerABAM and BST Associates would participate in many of the meetings identified in the base scope of work for Elaine Howard Consulting, LLC.

Based on the prior experience of our team members in this area, we do believe that it makes sense to revisit the project list in some way. The Coos County Urban Renewal Plan for the North Spit (updated most recently in 2006) includes ten projects related to infrastructure needs for development, one land acquisition line item \$20 million, and plan administration costs, for a total plan estimating nearly \$50 million in projects in 2006 dollars. There is now an immediate need to update the plan prior to its 2018 sunset, and to consider a range of options (A, B, C) to direct the CCURA forward. Our read of the proposal is based on recent work in the Coos Bay area and for the Port, and our team member's prior work on the 2006 plan. Many things have changed over the past decade since the plan was adopted, including:

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- Port purchase and rehabilitation of the 134-mile Coos Bay rail line, linking Coos Bay to west Eugene and the North American Class 1 freight rail system.
- Completion of the Trans Pacific Railway to serve the lower Coos Bay terminal site and other industrial site users (Roseburg Forest Products)
- LNG continues to be considered via the Jordan Cove Project.
- Completion of the Port's 2015 strategic business plan.

All of the momentum generated by these events will be used by team members to “hit the ground running” on this important plan update.

If the Port elected to proceed with any or all of the optional tasks, BergerABAM would attend all required meetings to help facilitate and inform the plan update, with a focus on project descriptions and planning-level cost estimates. BST Associates would also attend key project meetings to lend their expertise with port economic development issues.

Option A

~~BergerABAM will review the previous Urban Renewal Plan and amendments (1986, 1998, 2000, 2006) and gather other existing data from the CCURA to build a list of all current and previously planned projects. In consultation with CCURA and other stakeholders, BergerABAM will identify projects that have been completed to date and a report will be prepared listing the projects, project descriptions, date of completion, intended purpose, final outcome, and final cost for each project.~~

Option B

Building on the review of previous plans, a second detailed report will be prepared showing the projects that were previously planned but not completed by the CCURA. This report will list the projects, project descriptions, and the intended purpose and current status of each project. BergerABAM will review the original estimated durations and cost estimates and include in the report updated estimated durations and a list of project costs in today's dollars.

Option C

Based on data collected and discussions with CCURA and other stakeholders, BergerABAM will identify and evaluate site-specific transportation access, utility, recreation, facilities, and other project opportunities and prepare a third report that

includes a list of recommended projects to be supported or completed by CCURA. This list may include projects that were previously recommended but not completed to date. The list will include the project identifier, project descriptions, and the intended purpose, estimated duration, and estimated cost for each project. Planning-level costs will be developed from similar past projects and industry estimating guides.

~~Additional Option: Advisory Committee~~

~~The scope of work described in the RFQ does not specifically mention any Advisory Committee or any other official stakeholder advisory group to provide input to this process. However, it is common practice for Plan Amendments to include the involvement of an Advisory Committee to solicit input from property owners, affected taxing districts, other key stakeholders and the general public.~~

~~These Advisory Committees typically require a series of four to five meetings to adequately evaluate the key aspects of an urban renewal plan amendment. Given the cost of travel time to and from Coos Bay, we have not built an Advisory Committee process into our base budget. However, if this is a service desired by the Agency, then we could provide an updated cost estimate to factor in this stakeholder involvement process.~~