

January 18, 2001

01-047

ADOPT FINDINGS - GRANT AN EXEMPTION FROM
COMPETITIVE BIDDING - AUTHORIZE USE OF THE
CONSTRUCTION MANAGER/GENERAL CONTRACTOR
(CM/GC) ALTERNATIVE CONTRACTING METHOD FOR
THE RENOVATION OF FOOD SERVICES FACILITIES
PROJECT AT SYLVANIA CAMPUS

PREPARED BY: Roger Cardinal, Manager, Procurement & Risk Services

FINANCIAL
RESPONSIBILITY: Linda Eden, Director, Auxiliary Services

APPROVED BY: Randy McEwen, Vice-President, Administrative Services
Dan Moriarty, President

REPORT: Renovation of the Food Services Facilities at the Sylvania Campus Project (the Project) is included in the list of bond funded projects. The need to have an operational food service facility to serve the needs of staff and students at the Sylvania Campus is well established. Because of this need, the time that the existing facility can be out of service for renovation is very limited. The needs of the Campus can be supported by the Cafe during Summer Term only when the population of both staff and students is at the lowest level of any period in a given year.

Cini-Little International (Planners) and BOORA (Architects) are currently under contract to complete the design and construction documents for this Project.

For this Project it is desired that the Construction Manager/General Contractor (CM/GC) process be utilized, rather than the standard competitive Invitation to Bid process. State Procurement Law (ORS 279) requires that all public improvement projects be procured through a competitive bid process. However, the PCC Board, acting as the Local Contract Review Board, can exempt the project from competitive bidding as long as certain findings are

made and an authorized alternative contracting method is used (OAR 137-040-0570). The CM/GC procedure, which is essentially a Request for Proposals (RFP) process, is an approved alternative contracting method.

Findings:

a. The Board finds that the Project is well suited to the CM/GC contracting procedure, because the renovation project is large (approximately \$2,500,000-\$3,500,000), complex, and involves a facility that will be occupied and remain occupied for the duration of the Project. Further, the Project is envisioned as a team effort between PCC, the Project Architect and the General Contractor.

b. The Board finds that Cini-Little International and BOORA, the Project planners and architects, are knowledgeable and have a demonstrated capacity to manage a CM/GC process in all disciplines.

c. Pursuant to ORS 279.015 (2)(a), an RFP process will be utilized to solicit a general contractor, the procurement will be formally advertised, competition will be obtained through competitive negotiation, the award will be based on identified selection criteria, and one of the criteria will be price. As a result the Board finds that utilizing the CM/GC process is unlikely to encourage favoritism in the awarding of public contracts or substantially diminish competition because of the unique nature of the Project

d. Pursuant to ORS 279.015(2)(b), the Board finds that utilizing the CM/GC process will result in substantial cost savings to PCC because:

i. The proposed team approach will improve communication and continuity, which the Board expects will expedite decision making and reduce costly Project delays;

ii. The size and complexity of the Project require the skills of an experienced general contractor, use of the CM/GC procurement process will enable PCC to consider experience as part of the selection criteria, avoiding expensive mistakes;

iii. PCC expects to be able to take advantage of reduced architectural service fees as a result of the more streamlined CM/GC approach;

iv. It is common practice in the industry to construct projects of this complexity on a CM/GC basis; and

v. Historically, the CM/GC process does not produce an excessive number of change orders.

e. Pursuant to ORS 279.011, the Board makes the following specific findings in support of the above-noted findings:

i. Use of the team approach and an experienced general contractor through the CM/GC approach will enable PCC to conduct its operations and maintain service during construction with few disruptions. The Board expects that the team approach allowed through the CM/GC process will also allow better monitoring by PCC staff to ensure that the Project stays within budget.

ii. The public will benefit because it is vital that the College have an operational Food Service Facility to serve the needs of its staff and students, and the time that this facility is out of service for renovation needs to be reduced to the lowest practical time needed to accomplish the work. Use of a CM/GC process will allow this to happen on schedule and will reduce the possibility that the College would have to plan and provide alternative sources for food service at increased cost to the public.

iii. The team approach will result in better communication between the parties, which will encourage value engineering and construct

ability throughout the design and construction phases.

iv. As noted above, the size and complexity of the Project require a project team with substantial experience and expertise to avoid mistakes and limit unnecessary disruption of the PCC operation.

v. The CM/GC process will enhance public safety because PCC will be able to consider the safety record of the contractors selected. Because the building will be occupied and open to the public throughout the Project, this public safety benefit is particularly important.

vi. Given the current construction market with labor shortages among certain subcontractors, the more focused, more credential and performance oriented CM/GC process will encourage more and more experienced contractors and subcontractors to submit proposals and/or bids.

vii. The CM/GC process will better enable PCC to select a contractor with the skill and experience necessary to handle the technical complexities of the Project, such as the proper scheduling and coordination of the sequence of work and systems integration required to have everything operational and ready for beneficial use by the College on a very short schedule. The best way to ensure that the contractor selected has the technical skills necessary is using a CM/GC process that allows for qualifications to be a significant element of the evaluation and selection criteria.

viii. The team approach allowed by the CM/GC should give PCC more cost solutions and alternatives, which will better enable PCC to keep the Project within budget.

RECOMMENDATION:

That the Board of Directors, acting as the Local Contract Review Board for the College, adopt the findings presented and grant an exemption from competitive bidding for the Renovation of Food Services Facilities Project at the Sylvania Campus. Also, that the use of a CM/GC process be authorized as the alternative contracting method for the Project. Funding for the initial planning and document preparation is from the College Food Services Fund. Funding for the actual construction will be from the general obligation bond issue recently passed by voters.

Resolution 01-047 was moved for approval by Director Anderson. It passed unanimously.