

July 14, 2011

July 21, 2011 Revisions to resolution citations on advise of College council.

12-012

ADOPT FINDINGS - GRANT AN EXEMPTION FROM
COMPETITIVE BIDDING - AUTHORIZE USE OF THE
CONSTRUCTION MANAGER/GENERAL
CONTRACTOR (CM/GC) ALTERNATIVE
CONTRACTING METHOD FOR THE RENOVATION
AND CAPITAL UPGRADES AT THE ROCK CREEK
CAMPUS

PREPARED BY: Kathy Kiaunis, Associate Finance Manager, Bond Program

FINANCIAL RESPONSIBILITY: Linda Degman, Associate Director, Bond Program

APPROVED BY: Wing-Kit Chung, Vice President, Administrative Services
Randy McEwen, District Vice President
Dr. Preston Pulliams, District President

REPORT: The 2008 Bond Program includes plans for capital improvements, renovations, and selected maintenance projects at the Rock Creek Campus. This work is estimated at approximately \$38.15 million.

Projects planned for the Rock Creek Campus under this resolution include an addition to Building 7, a new academic building, renovations to Buildings 2, 3 and 9, a second campus egress, and storm water and site improvements.

The College has several critical needs related to the work going forward at the Rock Creek Campus:

- Clean Water Services (CWS) is requiring a campus storm water master plan be implemented for the complete campus as part of the first phase of construction work on campus; this will require extensive coordination of all site work to be done on campus;
- Multiple projects are anticipated to take place at the same time, which will require a campus coordinated plan by a contractor to ensure

- campus services are not impacted.
- The new academic building, currently building 5, is dependent upon the building 7 addition completion and the ability to use it as swing space to relocate the users out of building 5 for that construction to begin. Once the new building 5 is complete some of the users will move back into it and building 7 addition will be completed for its final intended use; these are the two major projects on campus and require close coordination to ensure the projects are completed on schedule;
 - The service to students at Rock Creek Campus must, to the maximum extent possible, continue unimpeded through the anticipated five-plus years of construction;
 - Public, student, and staff safety must be protected in a complex, construction environment;

There are also numerous goals for inclusivity for various College and community stakeholders. It is desired that this program include multiple internship opportunities for students, and incorporate 'learning labs' in the design and construction process. Pre-apprenticeship participation, mentorship programs for small general contractors and high MWESB participation are desired outcomes.

Opsis Architects are currently under contract to complete the design and construction documents for this work.

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)~~ The State of Oregon Public Contracting Code (ORS Chapter 279A – 279C) requires that all public improvement projects be procured through a competitive bid process. The PCC Board, acting as the Local Contract Review Board, exempts the project from competitive bidding as long as certain findings are made and an authorized alternative contracting method is used (~~OAR 137-040-0570~~) (OAR 137-049-0600 to 137-049-0690). The CM/GC method of contracting, which is essentially a Request for Proposals (RFP) process, is an approved alternative contracting method.

Staff will come back to the Board for approval when a CMGC is selected through a competitive RFP process with a Guaranteed Maximum price or not to exceed amount.

Findings:

- a. The Board finds that the RC Bond Program is well suited to the CM/GC contracting procedure, because the Rock Creek Bond Program is complex and will require careful planning and coordination of multiple projects in several buildings including a new building, a major addition, interior renovation work, and infrastructure work affecting the entry, circulation and parking lots. The projects involve facilities that will be occupied and remain occupied for the duration of the Program. Further, the Program is envisioned as a team effort between PCC, the Campus Architects, and the General Contractor.
- b. The Board finds that PCC is knowledgeable and has a demonstrated capacity to manage a CM/GC process in all disciplines.
- c. The Board finds that this scope and magnitude of work requires long-term planning and scheduling around the college's academic calendar, and that the public interest will be best served by establishing a construction methodology that encompasses that capability over the long duration of the Program.
- d. Pursuant to ORS 279C.335(2)(a) 045 (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.

- e. Pursuant to ORS 279C.335-015(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 complexity of the project requires the skills of an experienced general contractor; and the use of the CM/GC procurement process will enable PCC to consider experience as part of the selection criteria;
 - 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 where detailed planning, scheduling, and sequencing is required by the owner, and
 - v. Historically, the CM/GC process helps reduce the number of change orders because the CM/GC contractor is part of the early planning discussions.
- f. Pursuant to ORS 279C.330-014, 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 or no 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 a completely operational instructional facility to serve the needs of its staff and students, and the time that Rock Creek Campus buildings are out of service for renovation needs to be planned to the shortest practical time needed to accomplish the work. Use of a CM/GC process will allow this to happen on a flexible schedule and will reduce the possibility that the College will experience increased costs due to delay and disruption.
- 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 complexity of the project requires 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 buildings will be occupied and open to the public throughout the project, this public safety benefit is particularly important.
- vi. 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 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

- vii. 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.
- viii. The CM/GC process will enable PCC to work with the contractor to maximize opportunities for participation by minority, women-owned, and emerging small businesses for subcontracting work. This will increase competition among subcontractors. Experience with past CM/GC contracts at the College demonstrates higher MWESB utilization and subcontractor participation than traditional contracting methods.
- ix. Establishing an early relationship with the CM/GC will allow the design team to work with the contractor to produce detailed design specifications specifically related to PCC's aggressive energy saving goals. This process allows these to be better realized and carried into design execution.
- x. Enhanced teamwork through the CM/GC process will allow the College to identify multiple internship opportunities for students, and create 'learning lab' opportunities as part of the design and construction process.

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 capital upgrades projects at the Rock Creek Campus. Also, that the use of a CM/GC process be authorized as the alternative contracting method for the project. Funding for this project will be from the general obligation bond issue passed by voters in November 2008.

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- b. The Board finds that PCC is knowledgeable and has a demonstrated capacity to manage a CM/GC process in all disciplines.
- c. The Board finds that this scope and magnitude of work requires long-term planning and scheduling around the college's academic calendar, and that the public interest will be best served by establishing a construction methodology that encompasses that capability over the long duration of the Program.
- d. 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.
- e. 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 complexity of the project requires the skills of an experienced general contractor; and the use of the CM/GC procurement process will enable PCC to consider experience as part of the selection criteria;
 - 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 where detailed planning, scheduling, and sequencing is required by the owner, and
 - v. Historically, the CM/GC process helps reduce the number of change orders because the CM/GC contractor is part of the early planning discussions.
- f. 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 or no 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 a completely operational instructional facility to serve the needs of its

staff and students, and the time that Rock Creek Campus buildings are out of service for renovation needs to be planned to the shortest practical time needed to accomplish the work. Use of a CM/GC process will allow this to happen on a flexible schedule and will reduce the possibility that the College will experience increased costs due to delay and disruption.

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- 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 buildings will be occupied and open to the public throughout the project, this public safety benefit is particularly important.
- vi. 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 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.

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- vii. 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.
- viii. The CM/GC process will enable PCC to work with the contractor to maximize opportunities for participation by minority, women-owned, and emerging small businesses for subcontracting work. This will increase competition among subcontractors. Experience with past CM/GC contracts at the College demonstrates higher MWESB utilization and subcontractor participation than traditional contracting methods.
- ix. Establishing an early relationship with the CM/GC will allow the design team to work with the contractor to produce detailed design specifications specifically related to PCC's aggressive energy saving goals. This process allows these to be better realized and carried into design execution.
- x. Enhanced teamwork through the CM/GC process will allow the College to identify multiple internship opportunities for students, and create 'learning lab' opportunities as part of the design and construction process.

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