

I. LEGAL PUBLICATION

TILLAMOOK BAY COMMUNITY COLLEGE ALTERNATIVE CONTRACTING HEARING

The Tillamook Bay Community College's Board of Directors, serving as the College's Contract Review Board, will meet on Monday, September 8, 2008 at 7:00 PM to hear public comments on findings to exempt the New Campus Building project from competitive bidding, utilizing a qualification based proposal method. The Board will meet in the Boardroom of the College located at 2510 First Street, Tillamook, OR 97141. Copies of the findings may be obtained by calling the office of the Construction Manager, John O. Henri, at (503) 624-9422, or obtained in person at the Construction Management office of J.J. Henri Co., Inc. at 19801 SW 72nd Ave; Tualatin, OR 97062.

Board of Education Local Contract Review Board Special Meeting Agenda

Date:
Monday, September 8, 2008

First Street Campus, Room 9
2510 First Street, Oregon 97141

Time:
7:00 p.m.

<u>Item</u>	<u>Description</u>	<u>Resource</u>
1.	Call to Order • Acknowledge Guests -----	Board Chair
2.	Approval of the Agenda ----- (Action)	Board Chair
3.	Invitation of Public Comment -----	Board Chair
	<p>This is an opportunity for the public to comment on any issue within the jurisdiction of the Tillamook Bay Community College Board of Education. The Board Chair may determine reasonable time, space and manner limitations. At the conclusion of public comment, individual members of the Board may respond to comments made by those who have addressed the Board, may ask staff to review a matter, or may ask that a matter be put on a future agenda.</p>	
4.	New Business:	
	A. Resolution 2008-2009 No. 4 ----- (Action)	President Carnahan John O. Henri
5.	Adjournment ----- (Action)	Board Chair



Tillamook Bay Community College

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Agenda Item:

ALTERNATE CONTRACTING METHOD HEARING

Request for Proposal
Tillamook Bay Community College
New Main Campus Building

BACKGROUND

In May, 2007 voters in Tillamook County passed a General Obligation Bond Measure to finance a capital construction project that will include the construction of a new Community College Campus that will be located in the City of Tillamook. The Oregon State Legislature has also approved Senate Bill 5514, which will allow the College to receive additional funding for this project.

The new Campus will be constructed in a new parcel of land that was recently purchased by Tillamook Bay Community College (TBCC) located directly west of the existing Tillamook County Fairgrounds. The parcel is approximately 4.23 acres and is currently divided into two separate buildable areas divided by an existing access road. It is the intent of TBCC to complete the construction of the new campus building on the north half of the parcel and utilize the second half of the parcel for any future expansion of the College campus. This division will be described as Phase I: New Campus Building Project and Phase II: Future Campus Expansion Project. All work describe in the Finding below will be included in Phase I: New Campus Building Project.

After consulting with TBCC's Construction Manager and the President of TBCC, it has been determined by the Project Team that the construction that will take place on the site for the New Campus Building Project will be awarded to a single contractor to complete all of the work as described as Phase I of the project.

The Oregon Revised Statutes (279C.335 (2)) authorizes TBCC's Local Construction Review Board to exempt certain contracts from competitive bidding. This permits solicitation of a public improvement contract for the construction of the work by using a qualification based proposal pursuant to the alternative contracting method.

This alternative contracting method allows TBCC to avoid using the "low bid" method of selecting a contractor, and instead, use a competitive Request for Proposal process. The selection will be made based on specific criteria required to select a contractor that has the appropriate project experience for the construction of the New Campus Building Project.

The selection criteria will include the following 7 items:

1. Firms Background
2. Firm Workload
3. Firm Experience and Success
4. Experience of Key Personnel
5. Project Approach, Administration and Project Controls
6. Firm Experience in Safety
7. Cost

The current construction market has created fluctuations in the cost of work to the point it is difficult to accurately predict the cost of future projects. For this reason, it is in TBCC's best interest to reserve the right to select the most qualified contractor in order to get the most competitive pricing for the project.

This can be accomplished by utilizing a combination of Competitive Bidding and Value Engineering to insure that the work is completed within budget.

The primary consideration that should be taken into account when evaluating the use of a qualifications based proposal pursuant to the alternative contracting method on a project are: time savings, cost saving, experience and project controls, while not diminishing competition or encouraging favoritism. This process is considered appropriate if at least two of these considerations are met.

Before TBCC's Local Contract Review Board can exempt a project from competitive bidding and utilize an alternative contracting method, they must consider and hear public testimony on findings addressing the use of qualifications based proposal pursuant to the alternative contracting method. The findings must address specific area as outlined below.

FINDINGS:

1. **Unlikely to Encourage Favoritism:** The exemption is unlikely to encourage favoritism in the award of public contracts or substantially diminish competition because the Contractor will be chosen by a competitive Request for Proposals process open to all interested parties pursuant to TBCC's Public Contracting Rules. The process will include participants to respond to specific questions pertaining to their qualification and to submit specific quotation for the work.
2. **Cost Savings:** The exemption will result in a substantial cost saving to TBCC by following a competitive bid process that will be used as one of the selection criteria and by selecting a contractor familiar with post design Value Engineering to arrive at the least project cost to TBCC with the highest probability of a quality product.
3. **Operational, Budget and Financial Data:** The project will result in the construction of the New Campus Building Project in an area that is centrally located that will support the future growth of TBCC. This will also allow for more students to have better access to receive Higher Education. The operational costs for the college will increase as a result of the new and enlarged facility. Those operational costs are not part of this General Obligation Bond.
4. **Public Benefits:** The chief public benefit is the ability of TBCC to select contractors that are experienced in the extensive coordination required to construct the New Campus Building Project, to select contractors with the construction scheduling expertise to construct the projects on an aggressive schedule, to select a contractor with a record of safe performance and to select a contractor with the management resources to supervise the construction activities in an efficient expeditious manner.
5. **Value Engineering:** While Value Engineering will be performed during the early stages of the design prior to selection of the contractors, the concept of Value Engineering will continue after the contractors are selected during the sub-tier contractor selection period. TBCC will benefit from the ability to select a contractor with previous experience implementing value engineering on previous projects, specifically schools, during the post design phases of the project.
6. **Specialized Expertise Required:** Contractors will be required to have expertise specifically related to coastal work experience, soils stabilization, concrete tilt-up construction and work in Tillamook County. Contractors will be required to have expertise specifically related to the construction of The New Campus Building Project. By utilizing the Alternate Contracting Method, TBCC will have the ability to select a contractor with the proven skills of managing a complex

school site and the proven ability to mitigate project delays and disruptions. In addition, and more important, TBCC will have the ability to select a contractor with a successful record of safely managing projects.

7. **Public Safety:** TBCC will have the ability to include in the selection process the evaluation of the Contractor's Safety Plan and Philosophy.
8. **Market Conditions:** With the volume of school construction that will take place in the State during the period from the summer of 2008 through the summer of 2010, it will be necessary to assure that the contractors selected to construct the New Campus Building Project have the skills and labor force available to complete the project in the allotted time frame.
9. **Technical Complexity:** The complexity of this project is the volume of work that will have to be completed in a very short period of time with the extreme weather conditions that are found in Tillamook. In addition, the contractor's ability to coordinate their work in a congested area will be critical to the project schedule and job site safety.
10. **Funding Sources:** This project will be paid for as part of the Tillamook Community College November 2007 General Obligation Bond Measure and Matching Funds from the State of Oregon per Senate Bill 5514. The bond measure and the Senate Bill will also fund construction of two satellite Campus Buildings. These two projects have not been included in these Findings and will not be part of the Contract for the construction of the New Campus Building Project.

RECOMMENDATION

Based on the findings outlined above, Staff recommends that the Tillamook Bay Community College Board of Directors, serving as TBCC's Local Contract Review Board, approve the findings, exempt the New Campus Building Project from competitive bidding requirements, and direct staff to utilize a qualification based proposal method as an alternative contracting method for construction.

RESOLUTION No. 2008-2009 # 4

A RESOLUTION OF THE TILLAMOOK BAY COMMUNITY COLLEGE BOARD OF DIRECTORS, ACTING AS THE LOCAL PUBLIC CONTRACT REVIEW BOARD, GRANTING AN EXEMPTION FROM COMPETITIVE BIDDING PURSUANT TO ORS 279C.335 (2) TO PERMIT SOLICITATION OF A PUBLIC IMPROVEMENT CONTRACT FOR THE CONSTRUCTION OF THE **NEW CAMPUS BUILDING PROJECT** USING A QUALIFICATION BASED REQUEST FOR PROPOSAL PURSUANT TO THE ALTERNATIVE PUBLIC CONTRACTING METHOD.

WHEREAS, the Board of Directors of the Tillamook Bay Community College ("TBCC") is the Local Public Contract Review Board ("Board") pursuant to ORS 279A.060; and

WHEREAS, ORS 279C.335 (2) authorized the Board to exempt certain public contracts or classes of contracts from the competitive bidding process otherwise required by TBCC's Public Contract Rules upon certain findings; and

WHEREAS, TBCC has proposed as part of its 2007 General Obligation Bond Measure to undertake to construct the New Campus Building Project; and

WHEREAS, the proposed project must be constructed within a very tight budget; and

WHEREAS, the proposed project will require that construction work be performed on a very aggressive schedule; and

WHEREAS, such work will require an experienced contractor working in a close and collaborative partnership with TBCC, TBCC's Architect and TBCC's project manager; and

WHEREAS, the Alternative Contracting Method provides the best method for achieving this goal; and

WHEREAS, the Board concludes that an exemption from competitive bidding is justified pursuant to ORS 279C.335 (2);

NOW THEREFORE, BE IT RESOLVED:

1. The Board hereby exempts the following contract from the competitive bidding requirements of ORS Chapter 279C and its local Public Contracting Rules: The construction contract for the New Campus Building Project. The Board directs that the contract be solicited and implemented pursuant to the TBCC's public contracting rules.
2. The exemption granted in Section 1 of this Resolution is based upon the following findings pursuant to ORS 279C.335(2):
 - a. The Board finds that this contract exemption is unlikely to encourage favoritism in the award of public contracts or substantially diminish competition because the Contractor will be chosen by a competitive Request for Proposals process open to all interested parties pursuant to the TBCC's Public Contracting Rules. The process will include participants to respond to specific questions pertaining to their qualifications and to submit a specific quotation for the work.
 - b. The Board finds that this exemption will result in substantial cost savings to TBCC by following a competitive bid process that will be used as one of the selection criteria and by selecting a contractor familiar with post design Value Engineering to arrive at the least project cost to TBCC with the highest probability of a quality product.

- c. The Board finds that this contract exemption will allow TBCC to select a contractor, with the required skills in the construction of complex school projects, from a limited number of contractors available as a result of current market conditions.

In making the above findings, the Board considered the following specific findings pursuant to ORS 279C.330:

- a. **Operational, budget and financial data:** The project will result in the construction of the New Campus Building Project in an area that is centrally located that will support the future growth of TBCC. This will also allow for more students to have better access to receive Higher Education. The operational costs for the college will increase as a result of the new and enlarged facility. Those operational costs are not part of the General Obligation Bond.
- b. **Public Benefits:** The chief public benefit is the ability of TBCC to select contractors that are experienced in the extensive coordination required to construct the New Campus Building Project, to select contractors with the construction scheduling expertise to construct the projects on an aggressive schedule, to select a contractor with a record of safe performance and to select a contractor with the management resources to supervise the construction activities in an efficient expeditious manner.
- c. **Value engineering:** While value engineering will be performed during the early stages of the design prior to selection of the contractors, the concept of value engineering will continue after the contractors are selected during the sub-tier contractor selection period. TBCC will benefit from the ability to select a contractor with previous experience implementing value engineering on previous projects, specifically schools, during the post design phases of the project.
- d. **Specialized expertise required:** Contractors will be required to have expertise specifically related to coastal work experience, Soils stabilization, Concrete Tilt-up construction and work in Tillamook County. Contractors will be required to have expertise specifically related to the construction of The New Campus Building Project. By utilizing the Alternate Contracting Method, TBCC will have the ability to select a contractor with the proven skills of managing a complex school site and the proven ability to mitigate project delays and disruptions. In addition and more important, TBCC will have the ability to select a contractor with a successful record of safely managing projects.
- e. **Public safety:** TBCC will have the ability to include in the selection process the evaluation of the Contractor's Safety Plan and Philosophy.
- f. **Market conditions:** With the volume of school construction that will take place in the State during the period from the summer of 2008 through the summer of 2010, it will be necessary to assure that the contractors selected to construct the New Campus Building Project have the skills and labor force available to complete the project in the allotted time frame.

- g. **Technical complexity:** The complexity of this project is the volume of work that will have to be completed in a very short period of time with the extreme weather conditions that are found in Tillamook. In addition, the contractor's ability to coordinate their work in a congested area will be critical to the project schedule and job site safety.

- h. **Funding sources:** This project will be paid for as part of the Tillamook Community College November 2006 General Obligation Bond Measure and Matching Funds from the State of Oregon per Senate Bill 5514. The bond measure and the Senate Bill will also fund construction of two satellite Campus Buildings. These two projects have not been included in these Findings and will not be part of the Contract for the construction of the New Campus Building Project

4. The President is hereby authorized to proceed on behalf of TBCC consistent with this resolution.

DATED this _____ day of September, 2008.

Tillamook Bay Community College Board Chair

Tillamook Bay Community College President

ATTEST:
