

## **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, June 7, 2010 at 6:00 PM. This meeting is to hear public comments regarding the Contract Review Board's findings to exempt the North and South County Satellite Campus Building projects from competitive bidding process. This exemption will allow the Local Contract Review Board to utilize a qualification based proposal method. The Board will meet in the Boardroom of the College located at 4301 Third 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, June 7, 2010

Central Campus, Board Room #215  
4301 Third Street, Oregon 97141

**Time:**  
6:00 p.m.

<u>Item</u>	<u>Description</u>	<u>Resource</u>
1.	<b>Call to Order • Acknowledge Guests</b> -----	Chair Shaw
2.	<b>Approval of the Agenda</b> ----- <b>(Action)</b>	Chair Shaw
3.	<b>Invitation of Public Comment</b> -----	Chair Shaw
	<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.	<b>New Business:</b>	
	<b>A. Resolution 2009-2010 No. 4</b> ----- <b>(Action)</b>	President Carnahan John O. Henri
5.	<b>Adjournment</b> ----- <b>(Action)</b>	Chair Shaw

## Resolution 2009-2010 No. 4

### RECOMMENDATION

Review and approve Resolution 2009-2010 No. 4.

### BACKGROUND INFORMATION----- President Carnahan

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 and Two Satellite branch campuses in Tillamook County. The Oregon State Legislature has also approved Senate Bill 5514, which will allow the College to receive additional funding for these projects.

The Satellite Campus Buildings will be constructed on existing parcels of land that are owned by local school districts within Tillamook County. The North Campus will be constructed within the Neah-Kah-Nie School District boundary. The South Campus will be constructed within the Nestucca Valley School District boundary. These divisions will be described as Phase I: New Campus Building Project and Phase II: New Satellite Campus Projects. All work describe in the Finding below will be known as Phase II: New Satellite Campus Projects.

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 separate sites within Tillamook County. The New Satellite Campus Projects will be awarded to complete a portion or all of the work as described as Phase II 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, uses 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 Satellite Campus Projects.

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 qualifications and to submit specific quotations 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 the post design Value Engineering review in order to achieve the lowest projected cost to TBCC in concurrence with the highest probability of a quality product.
- 3. Operational, Budget and Financial Data:** The project will result in the construction of the New Satellite Campus Projects in an area that will support the future growth of TBCC in the outlying areas of Tillamook County. This will allow for more students to have better access to a Higher Education. The operational costs for the college will



increase as a result of the new facilities. Those operational costs are not part of this General Obligation Bond.

4. **Public Benefits:** The public benefit is the ability of TBCC to select contractors that are experienced in the coordination required to construct the New Satellite Campus Projects, by selecting contractors with the construction scheduling expertise to construct the projects under adverse coastal weather conditions, 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 and 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 these projects.
6. **Specialized Expertise Required:** Contractors will be required to have experience specifically related to the coastal work environment, soils stabilization and work in Tillamook County. Contractors will be required to have experience specifically related to the construction of the New Satellite Campus Project. By utilizing the Alternate Contracting Method, TBCC will have the ability to select a contractor with the proven skills of managing remotely located school sites and the proven ability to mitigate project delays and disruptions. In addition, 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:** Due to the current local economic conditions, we understand that many contractors will want to bid on these projects. We believe that being diligence in regards to the contractor's qualifications and their financial stability will allow TBCC to find the right contractor for these projects.
9. **Technical Complexity:** The complexity of this project will be the remoteness of the two project sites from supplier's and each other over a very short period of time with the extreme weather conditions that are commonly found in the Tillamook.



**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 fund construction of these two satellite Campus Buildings.

## **11. 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, exempting the New Satellite Campus Projects from competitive bidding requirements, and direct staff to utilize a qualification based proposal method as an alternative contracting method for construction.

