

ORDINANCE NO.

185669

*Adopt findings and authorize an exemption to the competitive bidding process to Procurement Services pursuant to ORS 279C and PCC 5.34 and provide payment for construction of Building Envelope Restoration and Structural Improvements to The Portland Building. (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City of Portland's Facilities Services Division is proceeding with building envelope and structural improvements to the Portland Building located at 1120 SW 5th Ave.
2. The Portland Building, recently placed on the National Register of Historic Places, is an important City landmark that houses a majority of City offices. The Portland Building has become well known in the City of Portland and beyond for its post-modernist design with a bold color scheme and highly stylized classical features.
3. Shortly after construction was completed, the building began to exhibit numerous signs of exterior envelope failure. Over the years, many of these failures were patched to provide a short-term repair, but the causes of failure could not be addressed due to the significant amount of work required. Recent re-roofing projects and the current penthouse stucco replacement project took a comprehensive approach to the repair; this work was installed in a manner that added longevity to the building. These recent improvements were also designed with the future building envelope project in mind.
Earlier structural reviews of the building hinted that the original design and construction met 60% of 1979 code required capacity and 25% of 1996 capacity; the seismic zone rating and building codes for Portland have changed since 1982.
4. The building is showing some recent structural changes in a few locations. There is also some concern that exterior moisture has been entering the building and may have impacted some structural connections. For these reasons, we are proceeding with a comprehensive exterior envelope and structural review. The first phase of design and pre-construction services will emphasize analysis, computer modeling, design solutions, mock-ups, and cost estimates. With this information, a complete project scope can be understood and an implementation plan developed for the remaining design work and construction can be completed.
5. The project will require specialized skills and experience in building construction, project phasing, scheduling, and cost estimating on a high rise building in a central business district. After the completion of a thorough building analysis, the potential for discovering unknown conditions is high and will require a responsive and knowledgeable construction team. Some of these unknown conditions will likely effect building occupants and require prompt staff relocations and interior building work. The building will require a highly specialized and qualified contractor in order to meet the constricted project schedule and to collaboratively respond to technical construction issues as they occur. The project phasing will be highly technical in nature to allow ongoing demolition and construction activities in occupied spaces. An alternative contracting method utilizing a Construction Manager/General Contractor (CM/GC) will allow the City of Portland to complete this restoration work in a responsive, coordinated and efficient manner.

6. The Facilities Services Division proposes to use an alternative contracting method in order to enable a CM/GC to provide input during the design process for value engineering, constructability review and to assist in developing a construction phasing plan. Use of an alternative contracting method is more likely to minimize costs and construction impacts.
7. The City Council is the Local Contract Review Board with the authority to exempt certain public contracts from the competitive bidding requirements of ORS Chapter 279C.
8. Findings addressing competition, operational, budget and financial data, public benefits, value engineering, specialized expertise required, market conditions, technical complexity, public safety, and funding sources recommended by the Facilities Services Division were available 14 days in advance of the public hearing of this Ordinance.
9. The City will invite prospective contractors to submit proposals in response to the City's Request for Proposals (RFP). The selection committee will include staff from Facilities Services Division, private sector design and construction professionals, and others from the community including a minority evaluator(s) as required per Resolution 36757. The selection process will be completed under the guidance and direction of Procurement Services.
10. The exemption of The Portland Building Envelope Restoration and Structural Improvements Project from the requirements of competitive bidding under ORS Chapter 279C is unlikely to encourage favoritism in the awarding of public contracts or substantially diminish competition for public contracts as the contract will be awarded using a competitive RFP process. In addition, the award will result in cost savings to the public because the CM/GC will be integrated into the design team for value engineering, constructability review, and assistance in developing a construction phasing plan. The early integration will greatly reduce the chances of redesign and change orders. Developing a well-coordinated project schedule with contractor input into the design process is a significant advantage in the CM/GC process. An extensive discussion of the CM/GC procurement method is noted in the Factual Findings, Exhibit A.
11. The overall project budget is \$7,667,000 and includes costs for design, pre-construction services, construction, and contingency. The construction budget is \$4,623,000, with a Low Confidence Level Rating. Funding for this project is from the Building Major Maintenance Fund.

NOW, THEREFORE, the Council directs:

- a. The Findings attached as Exhibit A to the original of this Ordinance, are hereby adopted.
- b. The Portland Building Envelope Restoration and Structural Improvements Project is hereby exempt from the competitive low bidding requirements of ORS Chapter 279C.
- c. The Chief Procurement Officer is authorized to use a competitive Request for Proposal process to select a CM/GC contractor for the project and, upon selection of a CM/GC, authorized to execute a contract for pre-construction management services during design of the project.
- d. Upon Council's acceptance of the Chief Procurement Officer's report for recommending the acceptance of the Guaranteed Maximum Price from the CM/GC for the project, the Chief Procurement Officer is authorized to execute a contract for construction of the project.
- e. The Mayor is authorized to draw and issue checks chargeable to the Building Major Maintenance Fund when demand is presented and approved by the proper authorities.

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- f. As required by ORS 279C.355 and PCC 5.34.820C, the Facilities Services Division shall prepare and deliver a post project evaluation to the Chief Procurement Officer on behalf of City Council, within 30 days of the date the City accepts the project.

Section 2. The Council declares that an emergency exists because delay in advertising the project would adversely affect the City's ability to meet the tight project schedule; therefore, this ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: OCT 10 2012

Commissioner: Mayor Sam Adams
Prepared by: Dale Cook:dseaton
Date Prepared: September 26, 2012

LaVonne Griffin-Valade
Auditor of the City of Portland

By


Deputy

Agenda No. **185669**
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 Title

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INTRODUCED BY Commissioner/Auditor: Mayor Sam Adams <i>K. Dillmann on behalf of Mayor Adams</i> COMMISSIONER APPROVAL	CLERK USE: DATE FILED <u>OCT 05 2012</u>
Mayor—Finance and Administration - Adams Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Leonard	LaVonne Griffin-Valade Auditor of the City of Portland <i>[Signature]</i> By: _____ Deputy
BUREAU APPROVAL Bureau: OMF/Bureau of Internal Business Services CAO: Jack D. Graham <i>JDG</i> Bureau Head: Bryant M. Enge <i>BME</i>	ACTION TAKEN:
Prepared by: Jeff Blade Date Prepared: 10/06/2012	
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Council Meeting Date October 10, 2012	
City Attorney Approval: N/A required for contract, code, easement, franchise, comp plan, charter	

AGENDA TIME CERTAIN <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input checked="" type="checkbox"/> Total amount of time needed: 10 minutes (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	_____	