ORDINANCE NO. 189145

*Approve findings to authorize an exemption to the competitive bidding requirements and authorize the use of the alternative contracting method of Construction Manager/General Contractor and authorize a contract for the Sullivan's Crossing Bicycle and Pedestrian Bridge Project for an estimated amount of \$11 million (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

- 1. The City of Portland Bureau of Transportation ("PBOT") is responsible for transportation operations and improvements within the City's public rights-of-way.
- 2. The Transportation System Plan identified the need for a bicycle and pedestrian crossing on Interstate 84 and Sullivan's Gulch in the vicinity of NE 7th Ave.
- 3. The Bureau of Transportation has identified funding from Transportation System Development Charge revenue and Prosper Portland for construction of a bicycle and pedestrian bridge over Interstate 84 and Sullivan's Gulch known as the Sullivan's Crossing.
- 4. The project will provide a new bicycle and pedestrian connection from the Lloyd District to the Central Eastside connecting two of the city's fastest growing districts for active transportation.
- 5. PBOT proposes to use the alternative contracting method of CM/GC for the Project to:
 - Provide input during the design process;
 - Provide value engineering to ensure cost containment;
 - Provide constructability review that will assist in developing a construction phasing plan that will allow for continuous operation of the Interstate freeway and Class I Railway the project crosses.
 - Provide construction expertise during the high-risk installation of the bridge superstructure during a limited closure of the Interstate Freeway and Railroad.
 - Provide for close coordination with the Oregon Department of Transportation and Union Pacific Railroad.
 - Allow for the acquisition of major project elements such as steel earlier than would be possible with a design bid build project.

- 6. The Project will require specialized skills and experience in construction methodology, sequencing, scheduling, and cost estimating for the installation of the bridge superstructure adjacent to and over the freeway and railway.
- 7. A CM/GC contracting method will allow PBOT to select a contractor with the experience and qualifications necessary to perform the work while maintaining a higher level of technical and safety expertise, greater cooperation between design and construction tasks.
- 8. Procurement Services and PBOT recommend that the CM/GC be used in lieu of the traditional low bid competitive bidding process. The successful contractor will participate in the design process by giving advice on constructability and provide the highly specialized skills required to complete the Project.
- 9. The Council is the Local Contract Review Board with the authority to exempt certain public contracts from the competitive bidding requirements of ORS Chapter 279C and Portland City Code 5.34.
- 10. The City will invite prospective contractors to submit competitive proposals in response to the City's Request for Proposals ("RFP"). The Selection Committee will select the CM/GC Contractor based on an evaluation of the proposals. The selection committee will include staff from PBOT and others from the community, including minority evaluator(s) as required per Resolution 36757. The RFP process will be completed under the guidance and direction of Procurement Services and in accordance with Alternative Contracting Methods requirements set forth in Portland City Code 5.34.
- 11. Findings addressing favoritism, competition, substantial cost savings, operations, budget and financial data, public benefits, value engineering, specialized expertise required, public safety, market conditions, technical complexity, and funding sources recommended by the City, substantially in the form attached hereto as Exhibit A (collectively, the "Findings"), were made available and a notice of the public hearing of this Ordinance was published fourteen (14) days in advance of this public hearing.
- 12. Based on the Findings, the exemption of the Project from the competitive bidding requirements of ORS 279C is: (i) unlikely to encourage favoritism or to diminish competition for public contracts because the contract will be awarded using a competitive solicitation process; and (ii) likely to result in substantial cost savings to the City because the CM/GC contractor will be integrated into the design team for value engineering, constructability review, and assistance in developing a construction phasing plan. Such early integration greatly reduces the chances of redesign, change orders and cost overruns.
- 13. The overall Project Budget including construction, design services, insurance, bonding, escalation, project management/staff costs and contingencies is \$ 15 million, of which \$11 million is estimated for the cost of construction.

NOW, THEREFORE, the Council directs:

- a. Council hereby approves the Findings, as attached as Exhibit A, and on that basis exempts the Sullivan's Crossing project from the competitive bidding requirements of ORS 279C.
- b. The Chief Procurement Officer is authorized to use an alternative competitive solicitation process to select a CM/GC contractor for the Project and, upon selection of a CM/GC, is authorized to execute a contract for CM/GC pre-construction services during design phase of the Project, provided the contract has been approved as to form by the City Attorney.
- c. 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, provided the contract has been approved as to form by the City Attorney.
- d. The Commissioner in Charge of Transportation and Auditor are hereby authorized to draw and deliver checks chargeable to PBOT when demand is presented and approved by the proper authorities.
- e. As required by ORS 279C.355 and PCC 5.34.820B, PBOT will prepare and deliver a post project evaluation to the Council on behalf of the Chief Procurement Officer, once the City accepts the Project as complete.

Section 2. The Council declares that an emergency exists because of the necessity to have the Contractor's participation in value engineering, constructability reviews and construction design and planning as soon as possible in order to positively impact design and construction issues and meet the project timeline; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council: AUG 29 2018

Mayor Ted Wheeler Prepared by: Larry Pelatt: mss Date Prepared: July 27, 2018

Mary Hull Caballero Auditor of the City of Portland By Deputy

920 =

Agenda No. ORDINANCE NO. 189145

Title

*Approve findings to authorize an exemption to the competitive bidding requirements and authorize the use of the alternative contracting method of Construction Manager/General Contractor ("CM/GC") and authorize the Chief Procurement Officer to execute a contract with the successful proposer upon acceptance by Council of the Procurement Report, all in connection with the Sullivan's Crossing Bicycle and Pedestrian Bridge Project for an estimated amount of \$11,000,000 (Ordinance).

INTRODUCED BY Commissioner/Auditor: Mayor Ted Wheeler	CLERK USE: DATE FILED AUG 21 2018	
COMMISSIONER APPROVAL	Mary Hull Caballero	
Mayor—Finance & Administration - Wheeler	Auditor of the City of Portland	
Position 1/Utilities - Fritz		
Position 2/Works - Fish	By: Deputy	
Position 3/Affairs - Saltzman	Deputy	
Position 4/Safety - Eudaly	ACTION TAKEN:	
BUREAU APPROVAL Bureau: OMF/BRFS/Procurement Services		
Bureau Head: Jennifer Cooperman		
Prepared by: Mahn Saechao Date Prepared: July 27, 2018		
Impact Statement		
Completed Amends Budget		
Portland Policy Document If "Yes" requires City Policy paragraph stated in document.		
Yes 🗌 No 🗌		
City Auditor Office Approval: required for Code Ordinances		
City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter		
Council Meeting Date August		
f		

AGENDA	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
TIME CERTAIN Start time:		-	YEAS	NAYS
Total amount of time needed:	1. Fritz	1. Fritz	V	
(for presentation, testimony and discussion)	2. Fish	2. Fish		
CONSENT	3. Saltzman	<mark>3.</mark> Saltzman	V	
REGULAR	4. Eudaly	4. Eudaly	\checkmark	
Total amount of time needed: <u>15 minutes</u> (for presentation, testimony and discussion)	Wheeler	Wheeler	V	