

ORDINANCE No.

187559

*Approve findings to authorize an exemption to the competitive bidding requirements; authorize a competitive solicitation for use of the Progressive Design-Build Relocate alternative contracting method; and authorize payment for construction related to the Portland Building Reconstruction Project (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Portland Building, designed and built in 1982 to support the administrative and operational needs of the City of Portland, is an award winning example of Post Modern design, and in 2011 was placed on the National Register of Historic Places as a building of "exceptional importance." Despite its historic significance, since its completion, it has shown numerous signs of environmental and structural issues and is in need of extensive reconstruction to survive another 50-100 years.
2. The building's exterior envelope has a history of significant water infiltration and has failed; the mechanical, electrical, and plumbing systems are at, or near, the end of their useful lives; and it does not meet current seismic resiliency building code requirements.
3. Resolution No. 37158 adopted by the Council on October 21, 2015 directed the Office of Management and Finance (OMF), in concert with the Owner's Representative and Public Outreach Services consultant, to develop a Request for Proposals and solicit bids for the design, relocation, and reconstruction of the Portland Building for an amount not to exceed \$195,000,000 and completion by the end of 2020.
4. OMF Facilities Services is proposing to use the Progressive Design-Build Relocate alternative contracting method for the Portland Building Reconstruction Project (Project). The progressive design-build relocate method is advantageous for this Project because it provides the most efficient and cost-effective manner to complete this complex and unique project, providing for the most collaborative and creative solutions to ensure the best value.
5. The Project will require specialized skills and technical expertise in alternative procurement methods, integrative project delivery, space relocation, and public outreach services. An analysis was completed by Facilities Services Division and determined that the progressive design-build relocate project delivery method will pose less risk and is the most cost effective method for reconstructing the Portland Building.
6. Based on the Findings attached as Exhibit A, the exemption of the Project from the competitive bidding requirements of ORS 279C is unlikely to encourage favoritism or substantially diminish competition in awarding a public contract because the contract will be awarded using a formal competitive solicitation process. In addition, the award will result in cost savings to the public because an integrated progressive design-build relocate team can lead to a more effective design that lessens construction risk, establishes cost certainty with a

guaranteed maximum price, and allows for accelerated scheduling and ongoing constructability review, as provided in more detail in the Findings.

7. A selection committee will review the qualifications of the proposers and select the progressive design-build relocate contractor based on an evaluation of the proposals. The selection process will be completed under the direction of Procurement Services.
8. OMF Facilities Services Division has submitted a separate Council action requesting authorization to execute a contract for Owner's Representative and Public Outreach Services for the Project.
9. The Design-Build Relocate contract is estimated at \$153,000,000 with a High Confidence Level Rating. The overall project budget including design services, insurance, bonding, escalation, project management/staff costs and contingencies is \$195,000,000 with completion by 2020. The scope will adjust to ensure the maximum cost is not exceeded and costs will be revised as the design work progresses in order to arrive at a Guaranteed Maximum Price.
10. The project will be in the City's FY 2016-17 through FY 2021-22 Capital Improvement Plan. Funding will be available in the City's Facilities Services Fund.

NOW, THEREFORE, the Council directs:

- a. Council hereby approves the Findings, attached as Exhibit A, and on that basis exempts the Portland Building Reconstruction Project from the competitive bidding requirements of ORS 279C.
- b. The Chief Procurement Officer is authorized to use an alternative competitive solicitation process in accordance with City Code 5.34 to procure progressive design-build relocate services for the Project.
- c. Upon Council acceptance of the Chief Procurement Officer's Report recommending the contract award, the Chief Procurement Officer is authorized to negotiate and execute a contract, provided the contract has been approved as to form by the City Attorney's Office.
- d. The Mayor and Auditor are hereby authorized to draw and deliver checks chargeable to the Facilities Services Fund when demand is presented and approved by the proper authorities.
- e. As required by ORS 279C.355 and PCC 5.34.820B, OMF Facilities Services Division 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 a delay in authorizing the exemption will negatively impact the mandated Project completion date; therefore, this Ordinance shall be in full force and effect from and after its passage by Council.

Passed by the Council: JAN 20 2016

Mayor Charlie Hales

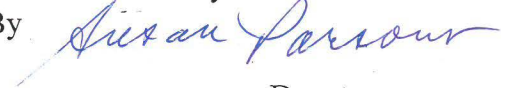
Prepared by: K. Brenes-Morua

Date Prepared: January 4, 2016

Mary Hull Caballero

Auditor of the City of Portland

By



Deputy

Agenda No.
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<p>INTRODUCED BY Commissioner/Auditor: Mayor Charlie Hales</p>	<p>CLERK USE: DATE FILED <u>JAN 12 2016</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration <i>[Signature]</i> Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p>	<p>Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: OMF/BRFS/Procurement Services Bureau Head: Christine Moody <i>CM</i></p>	<p>ACTION TAKEN:</p>
<p>Prepared by: K. Brenes-Morua Date Prepared: January 4, 2016</p>	
<p>Impact Statement</p> <p>Completed <input type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>Portland Policy Document</p> <p>If "Yes" requires City Policy paragraph stated in document.</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>	
<p>City Auditor Office Approval: required for Code Ordinances</p>	
<p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter</p>	
<p>Council Meeting Date January 20, 2016</p>	

<p>AGENDA</p>
<p>TIME CERTAIN <input checked="" type="checkbox"/></p> <p>Start time: 2:00 p.m. (1 of 2)</p> <p>Total amount of time needed: 1 hour (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	1. Fritz <input checked="" type="checkbox"/>	
2. Fish	2. Fish <input checked="" type="checkbox"/>	
3. Saltzman	3. Saltzman <input checked="" type="checkbox"/>	
4. Novick	4. Novick <input checked="" type="checkbox"/>	
Hales	Hales <input type="checkbox"/>	