

ORDINANCE NO. 187950

*Approve findings to authorize an exemption to the competitive bidding requirements and authorize a competitive solicitation for the use of the alternative contracting method of Construction Manager/General Contractor and authorize payment for construction of the SW 10th & Yamhill SmartPark Garage Renovation Project for an estimated amount of \$14,000,000 (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. PBOT is also assigned responsibility for the management and continuing operations of the SmartPark garage system. High-quality customer service and affordable rates are hallmarks of the City’s SmartPark system. The SmartPark garage system encompasses nearly, 4,000 parking spaces and approximately 71,803 square feet of commercial space
3. The goal of the 10th & Yamhill SmartPark Garage (Garage) renovation is to make critical repairs to the parking and retail facilities in order to protect and ensure the public’s safety, improve the garage’s safety, continued accessibility and enjoyment.
4. The Garage is a seven-story building opened in 1978. The building currently has 27,000 square feet of leasable retail space at or near the ground level with 799 parking spaces on floors two through seven.
5. The Garage generates an estimated \$3 million in revenue, serves approximately 500,000 customers annually and has reached a critical juncture in its long term major maintenance lifecycle and is in desperate need of renovation and repair.
6. Funding is available through Smart Park revenue and the agreement with the Portland Development Commission for Tax Increment Financing.
7. The Garage requires a number of improvements beyond what could be considered standard maintenance and upkeep activities. The project includes improving structural stability, building operational systems, ADA compliance, and interior and exterior retail improvements.
8. 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 for this heavily used facility;

- Assist in the permitting processes required for work in the downtown design district;
 - Provide vital coordination with TriMet and Portland Streetcar to maintain transit service and garage operations during construction as the facility is adjacent to both light rail and streetcar services that operate year-round;
 - Minimize costs and construction impacts to adjacent businesses as the facility is an integral part of the downtown retail district; and
 - Ensure the delivery of a high quality Garage with better life cycle costs.
9. The Project will require specialized skills and experience in construction methodology, sequencing, scheduling, and cost estimating for the Garage repair and renovation elements.
 10. Technical and specialized expertise will be needed to deliver renovation of its unique elements in a fashion that will be of high quality and durability. The repair required in this very highly urbanized environment, along with the transportation issues associated with street corridors on all four sides and TriMet/MAX stations on two sides of the Garage, Streetcar tracks along one side requires a contractor with expert abilities to work in this complex environment.
 11. 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.
 12. 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.
 13. 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.
 14. 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, PDC 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.
 15. Draft 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.

16. 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.
17. The overall Project Budget including construction, design services, insurance, bonding, escalation, project management/staff costs and contingencies is \$25 million.

NOW, THEREFORE, the Council directs:

- a. Council hereby approves the Findings, as attached as Exhibit A, and on that basis exempts the 10th & Yamhill SmartPark Garage Renovation 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 5.34.820C, 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 17 2016

Mayor Charlie Hales
Prepared by: Christine Moody: cek
Date Prepared: July 18, 2016

Mary Hull Caballero
Auditor of the City of Portland

By 
Deputy

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<p>INTRODUCED BY Commissioner/Auditor: Mayor Charlie Hales</p> <p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales <i>[Signature]</i></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>BUREAU APPROVAL</p> <p>Bureau: OMF/BRFS/Procurement Services Bureau Head: Christine Moody <i>CM</i></p> <p>Prepared by: Celeste King Date Prepared: July 19, 2016</p> <p>Impact Statement Completed <input type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. 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 August 17, 2016</p>	<p>CLERK USE: DATE FILED <u>AUG 09 2016</u></p> <p style="text-align: center;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p> <p>ACTION TAKEN:</p>
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AGENDA

TIME CERTAIN Start time: _____

Total amount of time needed: _____
 (for presentation, testimony and discussion)

CONSENT

REGULAR

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. Novick	4. Novick	✓	
Hales	Hales	✓	