

**CITY OF NEWBERG
PUBLIC WORKS DEPARTMENT
FINDINGS FOR EXEMPTION
FROM LOCAL CONTRACT REVIEW BOARD RULES
FOR THE CONSTRUCTION OF NEWBERG ANIMAL SHELTER**

The City of Newberg Public Works Department is requesting an exemption to allow the use of an alternative contracting process for a public improvement contract for services to construct a new Animal Shelter.

Background

Over the last several years the City has recognized the need to replace the City operated Newberg Animal Shelter located at 921 S. Blaine Street. This facility does not properly meet today's standards for the care of animals and is greatly undersized. The City has worked closely with the Newberg Animal Shelter Friends to develop the project scope and site for a new Animal Shelter. Earlier this year, the City Council approved a one acre site at the newly acquired property located at 1409 Sandoz Road for the new facility. The project will need to be executed in a phased manner that will accommodate the volunteers that wish to participate in the construction. As such, the project progress may be delayed in order to coordinate the availability of revenue and volunteer effort.

To facilitate project development and construction and coordinate volunteer efforts throughout the project, the Public Works Department is recommending to the City Council the use of an alternative contracting process for the development, design, and the construction of the new Animal Shelter.

Alternative Contracting Process

The Newberg City Council acts as the Local Contract Review Board (LCRB). ORS 279C.335 and City Code Title 3: Chapter 34 provide guidance to the LCRB regarding the use of alternative contracting methods for public improvement projects. The City rules in Chapter 34 and the ORS allow the LCRB to enter into public improvement contracts without competitive bidding if the contracts involve design or construction management or expertise beyond normal construction work. This allows flexibility in both proposal evaluation and contract negotiation. The City may select a person or firm to act as a Construction Manager/General Contractor (CM/GC) to construct public improvements by means of a competitive proposal process. A CM/GC performs specified construction manager services in addition to traditional general contractor services.

In order to select a CM/GC using the Request for Proposal method, the LCRB must direct its use by exception to the traditional public contracting practices, by approving findings submitted by the department seeking the exemption. The rules require that the City give public notice and hold a public hearing to receive comments on the findings before taking action on granting an exemption to the competitive bidding procedures. The resulting contract will be treated as a public improvement contract and will be subject to all requirements of public improvement contracts, including but not limited to hours of labor, retainage and payment, subcontractors, bonds, and prevailing wage requirements.

Findings

After review of the recommendations from City staff and after receiving public comment, the Local Contract Review Board finds that:

The development, design and construction of an Animal Shelter at the new site requires a contractor experienced in similar projects that understands the unique requirements of an animal shelter and working with volunteers. The project is also a high priority project to address existing animal health and service requirements.

The phasing and staging of this project combined with the funding and use of volunteer efforts make this a unique project that requires a contractor that can come in early and help the City develop, design and phase the work. The complexity of the project and the need for close coordination during the project will be best addressed through the use of the CM/GC process. Optimal value for the City is to have the CM/GC participate early in the design process so that the design team can integrate ideas and methods into the design process.

Use of the CM/GC process is expected to accelerate the project schedule compared to a traditional procurement approach.

The Request for Proposals (RFP) process will promote fair and unbiased competition among CM/GC firms. The RFP process allows the City to select the firm and its team members that are best-suited for the project based on factors such as experience, ability to respond to the technical complexity or unique character of the project, value engineering ideas, schedule enhancement, past performance, price and other factors specific to the project. Selection of the best proposal received via the RFP process will be based on a team review of weighted evaluation criteria.

The RFP will be publicly advertised to ensure an open and competitive process. Because all major components of the project will be competitively solicited, the suggested process will not encourage favoritism in the awarding of public improvement contracts or substantially diminish competition for public improvement contracts.

Participation of the contractor in the design of the plant improvements, as provided in the CM/GC process, will more easily allow the incorporation of quality materials and equipment, selected on performance and life-cycle cost rather than the lowest initial price.

The CM/GC will make value engineering recommendations during the design process that will save costs in the overall construction of the facility.

By selecting a qualified CM/GC through the RFP process, the City will benefit by proper construction of the new facility and successfully incorporating volunteer efforts. This will improve the quality of the construction and foster a sense of community “ownership” of the new facility.

Recommendation

The Public Works Department recommends that the Newberg City Council, acting as the Local Contract Review Board, grant a special procurement exemption to allow the use of the Construction Manager/General Contractor process for the construction of a new Animal Shelter at 1409 Sandoz Road.