

# DRAFT FINDINGS PROGRESSIVE DESIGN BUILD – MCLOUGHLIN / DYE / PLAZA RENOVATION PROJECTS

## BACKGROUND

In November of 2024, the voters within the College district passed Ballot Measure 3-613 resulting in \$120 million of funds to be spent on new facilities, renovations, and major maintenance items at the College. In addition to those funds, the college has received \$16 million in state legislative match and other grants, bond premiums, and interest earnings.

This topic addresses the construction delivery method requested to be used for the combined McLoughlin / Dye / Plaza Renovation projects. It was determined that combining the renovations of McLoughlin Hall, Dye Learning Resource Center, and the Exterior Plaza (also known as the quad) will provide construction and coordination efficiencies to provide the best possible experience for the college population during the projects.

Staff and the College's program manager agree that since this project is complex in nature, requires evaluation of different structural and mechanical systems, detailed and regular estimating systems and reliable scheduling and phasing, it lends itself to an alternative method of contractor selection; specifically, the Progressive Design-Build (PDB) procurement method. Clackamas Community College will hold a single contract with a contractor who will carry the designer in their scope. The significant benefits of this type of alternative construction method are to control design scope, costs, speed of delivery, coordination of work, flexibility, and reduction of risk to the College.

The PDB procurement method allows the owner (Clackamas Community College) to select a qualified contractor/designer early in the project to assist with design, provide value engineering and in the end save the project time and expense. To change from the standard design, bid, build construction model, the Board of Education, acting as the Local Contract Review Board (LCRB), must pass a Resolution allowing the change from the standard procurement method. The Oregon Administrative Rule, Division 49 – General Provisions Related to Public Contracts for Construction Services state that an alternative method (specifically) design/build can be used if found applicable by the LCRB. The rules require fourteen findings (ORS279.335 (2)(B)) to be addressed and a public hearing held prior to approval of the PDB procurement method by the LCRB.

The findings are draft until after the public hearing and modifications made by the LCRB. The findings are necessary to facilitate discussion and are not intended to be yes/no decision-making tools.

The **draft** fourteen findings and the college's responses are as follows.

### 1. How many persons are available to bid?

This project is somewhat technical in nature, but not overly specialized. Considering the Portland Metro market, and current work backlogs, it could be assumed that 10-12 firms would propose on this project. This delivery method appeals to construction firms who are qualified to build complex construction projects taking place on an active campus.

### 2. Construction budget and projected operating costs for the completed public improvement.

The bond budget for this combined project is \$14,250,000 including construction, design, and administrative costs. It is anticipated that there may be energy savings resulting from the projects, while program and staffing costs will likely remain relatively unchanged.

**3. Public benefits that may result from granting the exemption.**

Public benefits resulting from the PDB method may include reduced costs from the selected contractor/designer value engineering efforts, enhanced schedule certainty, and coordinated phasing. The target completion date is fall of 2028. The PDB method will help staff and consultants to better determine and manage project scope and cost estimates early in the project ensuring that the overall project schedule and budget is met. This is particularly important given cost and material uncertainty due to ongoing tariff and geopolitical activity.

**4. Whether value engineering techniques may decrease the cost.**

PDB will add a value engineering component to the project. Bringing an experienced contractor on board early in the design phase to identify cost-saving opportunities and design modifications will certainly reduce costs. The PDB selection will focus on the proposing firm's skill in providing cost management and cost reduction solutions.

**5. The cost and availability of specialized expertise that is necessary for the public improvement.**

Designing for and constructing educational facilities such as this project can be a specialized field requiring expertise in facilities of varying ages and conditions. The current climate for the construction industry will lead to competitive costs for fees and management costs that are quoted during the proposal process. A PDB firm can address costs early in the design process and the design and/or scope can be modified to meet financial constraints. In addition, they can advise on material selection, and provide recommendations on materials that are cost-effective, and steer the team away from expensive materials or material shortages. This will save project costs and reduce schedule risk for the construction of this project.

**6. Likely increases in public safety.**

Utilization of the PDB method with an experienced team should result in safety issues being addressed both during design and construction and long-term use of the completed facility. Using the PDB model will support a very detailed safety plan not only for the construction materials and workers, but also for the circulation of students, staff, and visitors. This will be vital with the renovation of the occupied buildings, and the highly utilized plaza area.

**7. Whether the exemption may reduce risk to the contracting agency or the public.**

The PDB method will reduce risk to the College by providing accurate cost estimating and allowing the College flexibility to modify the project scope and budget as deemed necessary prior to construction. Additionally, the PDB firm will advise on issues that impact schedule, manage the construction, and material selection which reduces the schedule risk.

**8. Whether the exemption will affect the sources of funding for the public improvement.**

The exemption will not affect the source of the funding for these projects. The project is funded using 2024 Bond proceeds.

**9. Whether granting the exemption will “better enable” the contracting agency to control the impact of market conditions on the costs and time necessary to complete the improvements.**

The PDB process will allow the contractor to procure/order items with long lead times such as difficult to obtain materials and obtain competitive pricing on other project related materials. In addition, having the contractor on board early in the project will allow them to better prepare for the construction and maximize scheduling efficiency, thereby meeting the desired time limits.

**10. Whether granting the exemption will “better enable” the contracting agency to address the “size and technical complexity” of the project.**

An experienced PDB firm will have the opportunity to coordinate with design professionals regarding the technical aspects of the project throughout the designing phases. In addition, the team will provide analysis of the structural, mechanical, and other systems as the design is developed.

**11. Whether the public improvement involves new construction or renovates or remodels an existing structure.**

The two building elements of this project are considered renovations and are not intended to affect the outward appearance of the buildings significantly. The Plaza portion of the project is viewed as transformational, with significant enhancements to the campus experience anticipated.

**12. Whether the public improvement will be occupied or unoccupied during construction.**

Elements of all the projects will be occupied, therefore requiring significant coordination facilitated by the PDB firm.

**13. Whether the public improvement will require a single phase or multiple phases of construction work.**

The PDB process will allow the utilization of an early order package if identified to facilitate schedule or to mitigate outside supply chain impacts. The occupied nature of the facilities will require multiple phases.

**14. Whether the contracting agency has, or has retained under contract, and will use, personnel, staff and lawyers that have expertise in the alternative contracting matters to assist in developing the alternative contracting method and to negotiate administer and enforce the public improvement contract.**

The college will utilize staff, program managers (Wenaha Group), and the College attorney (Berry, Elsner, and Hammond), each with expertise in the PDB model of construction delivery to ensure a complete and comprehensive PDB contract.

Following approval by the Local Contract Review Board (LCRB) for the PDB procurement method, staff and the design team will utilize a two-step process of a Request for Qualifications to generate a short list, then a Request for Proposal and interview process to make a final selection for PDB services.

Staff will update the LCRB once a selection has been made, followed by a request for approval of a GMP contract with the PDB at the appropriate time in the process.

Upon completion of this project, staff will return to the Board of Education and discuss the post evaluation of the project and determine if the PDB method was appropriate for this project.