



COUNCIL STAFF REPORT

To: Mayor and City Council

Date Written: December 21,
2021

From: Leila Aman, City Manager

Subject: **Exemption from Competitive Bidding for the Manzanita City Hall Project to use a Construction Manager / General Contractor alternative contracting process.**

ACTION REQUESTED

Approve Findings in Support of an Exemption from Competitive Bidding under ORS 279.335(2) for the Manzanita City Hall Project.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

None

ANALYSIS

Staff recommend that the city use the Construction Manager / General Contractor (CM/GC) alternative contracting process to select a contractor for the Manzanita City Hall project. The CM/GC alternative contracting process is authorized for procurement of construction services under ORS 279C.337 as long as the Local Contract Review Board approves an exemption from competitive bidding as provided in ORS 279C.335(2). The Manzanita City Council acts as the City's Local Contract Review Board under ORS 279A.060.

The CM/GC method is a commonly used by public entities for larger more complex construction project such as the City Hall project. The CM/GC allows the city to select a contractor through a complete RFP process based on qualifications and experience. This allows the city to select a contractor to work with the city and the architect throughout the design process which results in improved constructability, and value engineering which often results in fewer change orders, and it also enables the contractor to be involved in the development of the construction program which can also have cost efficiencies.

At the end of the design phase, the construction contract is set through a negotiated guaranteed maximum price (GMP) which is ultimately reviewed and approved by city council. To use this contracting method, the city council must move to adopt the findings in attachment A for the city to proceed with this contracting method. The attached findings in support of an exemption from competitive bidding under ORS 279c.335(2) were prepared by the City Attorney and reviewed by the City Manager. Notice of the public hearing was posted 14 days in advance on December 22, 2021 online with the findings and a copy of this staff report. Physical postings were placed at City Hall, the restrooms on 4th avenue and at the Post Office.

If approved staff will proceed with a competitive RFP for a CM/GC in January and expect to have a selected contractor for Council consideration in March.

BUDGET IMPACT

None

WORKLOAD IMPACT

The exemption will enable to City Manager to proceed within hiring a CM/GC.

COORDINATION, CONCURRENCE, OR DISSENT

The City Attorney concurs with this approach.

STAFF RECOMMENDATION

City Council adopt findings in support of an exemption from the competitive bidding process under ORS 279c.335(2) for the Manzanita City Hall project.

ALTERNATIVES

Council can reject these findings and use a competitive bidding process at the end of the design process.

ATTACHMENTS

1. Findings in Support of an Exemption from Competitive Bidding Under ORS 279c.335(2) Manzanita City Hall Project.