CITY COUNCIL MEETING
STAFF REPORT

Meeting Date: August 2, 2021	**Subject: Resolution No. 2916** Authorizing the use of a Progressive Design Build (PDB) Alternative Contracting Method for the Boeckman Road Corridor Project (Capital Improvement Projects 4212, 4206, 4205, & 2102) **Staff Member:** Dominique Huffman, PE, Civil Engineer and Nancy Kraushaar, PE, Civil Engineer **Department:** Community Development
Action Required	**Advisory Board/Commission Recommendation**
☒ Motion ☒ Public Hearing Date: August 2, 2021 ☐ Ordinance 1st Reading Date: ☐ Ordinance 2nd Reading Date: ☒ Resolution ☐ Information or Direction ☐ Information Only ☐ Council Direction ☐ Consent Agenda	☐ Approval ☐ Denial ☐ None Forwarded ☒ Not Applicable **Comments:** N/A
Staff Recommendation: Staff recommends Council adopt Resolution No. 2916.	
Recommended Language for Motion: I move to approve Resolution No. 2916.	
Project / Issue Relates To:	

☒Council Goals/Priorities: Goal 1. Increase mobility for all in Wilsonville	☒Adopted Master Plan(s): Transportation System Plan Project UU-01 & Frog Pond Master Plan	☐Not Applicable

ISSUE BEFORE COUNCIL:

A City of Wilsonville resolution authorizing the use of the Progressive Design Build (PDB) procurement and contracting method in accordance with ORS 279C.330 and ORS 279C.335 for the Boeckman Dip Bridge and Road projects (Boeckman Road Corridor Project).

EXECUTIVE SUMMARY:

The Boeckman Dip Bridge project (CIP 4212) will make needed safety improvements to Boeckman Road by correcting a vertical curve deficiency and upgrading the steep, narrow, rural roadway to an urban standard with safe bicycle and pedestrian facilities that connect residential neighborhoods, jobs, schools, and commercial land uses.

Three other projects along this section of the Boeckman Road corridor are interconnected with the bridge project and will be most successfully integrated with it if one team designs and constructs all four projects. It will be most effective to design the four projects together to assure proper coordination and fewer disruptions to design and construction. These are needed and planned improvements included in the Frog Pond Master Plan and associated Capital Improvement Plans; Canyon Creek/Boeckman Traffic Signal (CIP 4206), Boeckman Road Street Improvements (CIP 4205), and Boeckman Road Sanitary Sewer (CIP 2012).

Completing this work as three or four separate projects makes it difficult to coordinate design details and efficiently phase construction. Using the traditional Design, Bid, Build project delivery is seen as cumbersome, adds higher risk with potentially separate design teams for the elements of each project that need to be interconnected, and ignores the advantages of what an alternative delivery method can bring to the projects. Combining these projects into one overarching Boeckman Road Corridor Project will increase the efficiency and flexibility of project delivery.

To deliver this complex and environmentally sensitive project within a desirable timeframe, it is essential that the City staff, design team, and contractor have multi-disciplinary experience, are allowed to collaborate, and can be innovative in their approach to planning and constructing the needed improvements. These characteristics are not typically associated with the traditional design and construct method based on low-bid style of contracting. For this reason, an alternative contracting method is recommended for this project, referred to as Progressive Design Build (PDB).

PDB is recommended due to the complexity of the bridge and creek work, the staging complexities of the interrelated projects, and the need to complete these projects within the same timeframe. PDB is advantageous for this project as:

- It allows the City to select a contractor based on qualifications, ensuring a collaborative working relationship with the design team and demonstration of specific experience in the successful completion of similarly complex projects.
- The contractor can be involved early and use their expertise to identify potential cost and schedule savings and how to increase overall project productivity. There is opportunity to utilize the contractor's expertise to tailor the scheduling and phasing of construction to best meet the needs of stakeholders and the public.
- The contractor can help identify project risks and develop plans to help mitigate those risks.
- There will be efficiencies in staging the sections of similar work together, reducing staging impacts such as lane closures and reducing overall construction time in the corridor.
- There will be a reduction in project uncertainty with having the contractor involved during design which translates into cost savings to the City in the form of reduced contingency.
- Staff recommends that along with the PDB contract, the City utilize an Owner's Representative to assist the City by making available their specialized expertise and experience with PDB contracting and various other elements of the projects.

Under ORS 279C.335(2), the Local Contract Review Board may provide an exemption from competitive bidding requirements, as long as the alternative contracting process is unlikely to encourage favoritism or diminish competition and that it will likely result in substantial cost savings and other substantial benefits to the agency. Detailed findings for the exemption from competitive bidding is provided in **Exhibit A** to **Resolution 2916**.

Progressive Design Build procurement is becoming a more common method of contracting large, complex projects such as the Boeckman Road Corridor Project, where contractor expertise and coordination is expected to be invaluable during design and being nimble on project staging and task sequencing is expected to be a significant advantage. The Willamette Water Supply Program (WWSP) has employed an alternative contracting method on the Raw Water Facility project with successful results and the City is currently using an alternative contracting method on the Water Treatment Plant Expansion project.

Expected Next Steps:
If the PDB process is authorized and an Owner's Representative (Owner's Rep) will be selected through a Request for Proposals process, the City and Owner's Rep will next solicit competitive qualified proposals for the Progressive Design Build team. After reviewing and negotiating a contract for the PDB team, staff will bring the contract to the City Council to consider for approval. The PDB team would consist of a Construction Contractor (with whom the City would enter the PDB contract) and engineering consultant(s) to provide the multiple disciplinary design and construction expertise required for the overall project.

Once selected and under contract, the PDB team will work with Staff and the Owner's Rep to initiate design followed by plan review, permitting, potential right-of-way acquisitions and ultimate construction readiness. Individual contract amendments will be presented to Council as construction "packages" become ready and after a Guaranteed Maximum Price (GMP) has been negotiated for each. The number and size of these construction packages will be determined as design with the PDB team progresses. Staff will regularly update Council on project progress.

EXPECTED RESULTS:
The Boeckman Road Corridor Project will provide up-to-date transportation infrastructure, safe and accessible connections that will benefit the existing and planned community, and sewer capacity to accommodate buildout of the Frog Pond neighborhoods.

Using a PDB contracting method is expected to facilitate better coordination and collaboration between the design engineer, construction contractor, Owner's Rep and City staff to identify and address constructability concerns and constraints early in the design process. This improved coordination will yield cost savings by minimizing change orders during construction and by optimizing construction sequencing through enhanced collaboration with all parties involved in completion of the project.

TIMELINE:
A request for proposals (RFP) for an Owner's Representative will be issued in August 2021 and a consultant selected in early fall. Another RFP for engineering and construction services through a Progressive Design Build contract will be issued in the winter of 2021/2022. Staff expects 30% design for the bridge and other portions of the Boeckman Road Corridor Project to be complete by

the summer of 2022. Once this critical milestone is achieved, required environmental permitting and right-of-way acquisition can begin and a construction schedule can be established. All design would likely be completed in the summer of 2023, with corridor construction completed by the end of 2024.

CURRENT YEAR BUDGET IMPACTS:

Authorization of Progressive Design Build procurement and contracting method does not impact the current year budget.

The approved FY 2021/2022 budget includes funds for Owner's Representative, PDB Contract, project design, construction and overhead associated with the following projects, fund source, and fund amount.

Boeckman Dip Bridge (CIP#4212)	Year 2000 Urban Renewal	$3,450,000
Boeckman Road Improvements (CIP #4205)	Street SDC	$1,310,925
Canyon Creek/Boeckman Signal (CIP # 4206)	Street SDC	$312,125
Boeckman Road Sanitary Sewer (CIP # 2102)	Sewer SDC	$215,650

FINANCIAL REVIEW / COMMENT:

Reviewed by: KAK Date: 7/21/2021

LEGAL REVIEW / COMMENT:

Reviewed by: BAJ Date: 7/26/2021

Legal reviewed this item for statutory compliance only but was not asked to provide any analysis of whether or not use of this alternative contracting methodology is well suited for this project.

COMMUNITY INVOLVEMENT PROCESS:

Notice of Public Hearing was published in the Daily Journal of Commerce and findings were made available to the public on July 19, 2021.

A robust community notification and project update process will be defined and incorporated into the work scope as part of further project design work. To date, preliminary public outreach occurred as part of the Year 2000 Urban Renewal Plan amendment, Frog Pond master planning and subsequent land use reviews, and as part of the Transportation System Plan adoption. In addition, staff has provided project updates to the City Council where they have considered staff recommendations for the project and have approved using a bridge to mitigate the dip safety issues and allowing full road closure with a detour to for the safest and quickest duration bridge construction.

POTENTIAL IMPACTS or BENEFIT TO THE COMMUNITY:

Using a Progressive Design Build contracting method will allow the City to complete needed infrastructure improvements to timely accommodate planned development, utilize contractor expertise during design, provide adaptable construction sequencing, and minimize impacts to the community.

ALTERNATIVES:

A traditional design-bid-build contracting method could be utilized, but the timeline for construction would be longer and the potential risk of added costs and additional closures during construction would be increased.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Resolution No. 2916
    A. Findings for an Exemption from Competitive Bidding – Boeckman Road Corridor Project (CIP 4212, 4206, 4205, 2102)

RESOLUTION NO. 2916

A RESOLUTION OF THE CITY OF WILSONVILLE AUTHORIZING THE USE OF A PROGRESSIVE DESIGN BUILD (PDB) ALTERNATIVE CONTRACTING METHOD FOR THE BOECKMAN ROAD CORRIDOR PROJECT (CAPITAL IMPROVEMENT PROJECTS 4212, 4206, 4205, 2102).

WHEREAS, the City has planned and budgeted for the completion of four Capital Improvement Projects known as #4212, the Boeckman Dip Bridge project; #4206, the Canyon Creek/Boeckman Traffic Signal project; #4205, the Boeckman Road Street Improvements project; and #2102, the Boeckman Road Sanitary Sewer project. Combined, they are known as the Boeckman Road Corridor Project (the Project); and

WHEREAS, the City has made findings in accordance with ORS 279C.335(2) and attached hereto as **Exhibit A** and incorporated herein that support an exemption from competitive bidding requirements and the use of PDB as an alternative contracting process to complete the Project; and

WHEREAS, the City has advertised a Public Notice on July 19, 2021 in the Daily Journal of Commerce announcing its intention to utilize the PDB alternate contracting process to complete the Project.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The City of Wilsonville City Council acting as the Local Contract Review Board:
   a. Adopts the attached **Exhibit A** findings exempting the Project from competitive bidding requirements, and
   b. Authorizes use of the PDB alternate contracting process to complete the Project.
2. This resolution becomes effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 2nd day of August 2021, and filed with the Wilsonville City Recorder this date.

JULIE FITZGERALD, MAYOR

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:
Mayor Fitzgerald
Council President Akervall
Councilor Lehan
Councilor West
Councilor Linville

EXHIBIT:

A. Findings for an Exemption from Competitive Bidding – Boeckman Road Corridor Project (CIP's 4212, 4206, 4205, 2102)

EXHIBIT A

Findings for an Exemption from Competitive Bidding for the Boeckman Road Corridor Project (including CIPs 4212, 4206, 4205, and 2102) and Use an Alternative Project Delivery Method - Progressive Design Build, City of Wilsonville, Oregon

General

Oregon Revised Statue (ORS) 279C.300 requires competitive bidding of public improvement contracts unless specifically excepted or exempted as provided under 279C.335. Under ORS 279C.335(2), a local contract review board may exempt certain public improvement contracts or classes of contracts from traditional competitive bidding by showing that an alternative contracting process is unlikely to encourage favoritism or diminish competition, and that it will likely result in substantial cost savings and other substantial benefits to contracting agency or the public.

For the reasons set forth more fully below, it is recommended that a Progressive Design Build (PDB) team be selected by utilizing the competitive proposal process in accordance with ORS 279C.400 for a specific contract to build the Boeckman Dip and Road Projects. The Progressive Design Build proposal process is advantageous for this project as:

- It allows for the contractor to be involved early in the design process, providing an opportunity for identification of cost and schedule savings, identification of solutions that best address the complexities of the Project (i.e. how to most efficiently and effectively sequence the projects, and how to design and alter the roadway alignment while reducing environmental impacts and road closure times) and helping to identify project risks and develop plans to help mitigate those risks.
- It allows for the opportunity to utilize the contractor's expertise to tailor the scheduling and phasing of construction to best meet the needs of stakeholders and the public.
- It allows City of Wilsonville (City) to select a contractor with the specific experience that shows how they have successfully completing similarly complex projects.

In accordance with ORS 279C.330, ORS 279C.335, and Resolution No. 2916 of the Wilsonville City Council in its capacity as the Local Contract Review Board, the following are findings which justify an exemption from the competitive bidding requirement.

Background

The Boeckman Dip Bridge project is identified as a high priority urban upgrade, Project UU-01, in the 2013 Transportation System Development Plan (Amended November 16, 2020). The bridge project will make needed safety improvements to Boeckman Road by correcting a vertical curve deficiency and upgrading the steep, narrow, rural roadway to an urban standard. The bridge project is intended to be designed and constructed jointly with the Canyon Creek/Boeckman Traffic Signal project (CIP # 4206), the Boeckman Road Street Improvements – Frog Pond project (CIP #4205), and the Boeckman Road Sanitary Sewer Improvements – Frog Pond (CIP #2102).

EXHIBIT A

These improvements will be combined into one project for efficiency in design and construction. When completed, the projects will provide up to date transportation infrastructure, safe and accessible connections for all transportation modes that will benefit the existing and future Wilsonville community, a Safe Route to School for Meridian Creek Middle School and a future primary school, and sanitary sewer capacity to accommodate the build out of Frog Pond.

Findings

Pursuant to ORS 279C.335(2), the following Findings justify an exemption from ORS 279C.335(1) and OAR 137-049-0130.

1. ***The exemption is unlikely to encourage favoritism in awarding public improvement contracts or substantially diminish competition for public improvement contracts. (ORS 279C.335(2)(a))***

   The Progressive Design Build team will be selected through a competitive proposal process. No reduction of competition is expected since the proposed process is open to the same contractors that would have participated in the traditional design-bid-build process, and there are multiple contractors both locally and across the state with the ability to compete for this contract. Uniform evaluation criteria will be used in the selection of contractors.

   Favoritism will not play a role in the selection of the Progressive Design Build team. Selection will be conducted through an open and advertised request for proposal (RFP) process. All qualified firms will be invited to submit proposals. The City will publish a legal notice in the Daily Journal of Commerce in order to provide Project information to all interested entities. Proposers will be evaluated based on clearly stated criteria. A team will perform the evaluation in an effort to minimize the effects of any individual bias. All qualified firms will be able to participate in an open, competitive selection process.

2. ***Substantial cost savings and other benefits (ORS 279C.335(2)(b)).***
   Using a Progressive Design Build contracting method is expected to result in substantial cost savings and other substantial benefits as described below:

a) How many persons are available to bid;

A publicly-advertised competitive proposal process will be utilized to select the Progressive Design Build team. The use of this contracting method does not prevent any contractor that otherwise would have proposed had the City procured the project using the traditional design-bid-build method. Thus, all qualified contractors are able to compete for selection to complete the project.

The Water Treatment Plant Expansion project recently opted to utilize an alternative delivery approach for upgrading our existing WTP. This project is currently advertising for contractors and anticipates at least three qualified contractors will submit competitive proposals. Additionally, the Willamette Water Supply Program recently utilized alternative delivery for the construction of a new WTP and associated transmission lines. Five

qualified contractors submitted proposals in response to the solicitation for CMGC services for the first phase of WTP construction. A similar level of interest from qualified Progressive Design Build teams is anticipated for the Boeckman Dip Project.

b) The construction budget and projected operating costs for the completed public improvement;

The construction budget and operating costs will not be adjusted due to the alternate procurement method, but there are many, less tangible, cost savings that are likely to be realized by using the Progressive Design Build method. Some of these less-tangible savings include a project team that works more cohesively, resulting in shorter design and construction timelines. Also, early involvement of a contractor through a Progressive Design Build contract should result in reduced change orders, disputes and claims during construction and will provide for the opportunity to identify value engineering and construction sequencing ideas commensurate with the contractor's means and methods that can result in construction cost savings. The contractor's involvement during design also reduces the number of unknowns discovered during construction due to the contractor's familiarity with existing conditions and design details.

c) Public benefits that may result from granting the exemption;

One of the main advantages to the public of the Progressive Design Build contracting method is the project's schedule. Once design is complete, the City and the PDB team can negotiate a guaranteed maximum price (GMP) for the project, eliminating the time consuming construction bid phase required by the traditional procurement approach, enabling the City to move quickly from design to construction. Once the PDB team has an approved design and GMP, construction of the project and/or procurement of long-lead time equipment can begin. Schedule savings can also be found by the PDB team's ability to advance certain phases of the project to maximize contractor's ability to synchronize work. Schedule savings can also result in a reduction of contractor general conditions costs, mobilization costs, as well as benefit the City in having infrastructure available for earlier use.

Other substantial benefits to the public include the City's ability to select a team based on their qualifications as they relate to the particular challenges of this project. Bridge construction in general is complex, combined with unique environmental, hydrologic, and staging challenges in the project area, there is potential for design and construction delays that if not managed well could increase the road closure duration and overall impact to Boeckman Road users. Selection of an experienced, cooperative, and solutions-oriented Progressive Design Build team with the demonstrated ability to coordinate and execute construction of these projects in a safe, proficient, and expedient manner will greatly benefit the public.

d) Whether value engineering techniques may decrease the cost of the public improvement;

The PDB contracting method gives the contractor an increased opportunity to engage in value engineering, which increases the likelihood of cost savings to the City. The PDB

contracting method brings the contractor on board early in the design process and allows the contractor to voice their comments, concerns, and suggestions on the design. This allows the designer to more fully understand constructability and sequencing issues early on.

In contrast, the traditional method of contracting only allows for the contractor to see the contract documents once they are issued at the construction bidding phase. At this point, not only is there is little incentive for the contractor to engage in value engineering efforts, but the design has already progressed past the point of incorporating many of the suggestions that the contractor would have offered.

In addition to potential direct cost savings to the public, indirect cost savings may be realized through a reduced duration of impact to the public through efficient design construction phasing tailored for this specific project.

e) The cost and availability of specialized expertise that is necessary for the public improvement;

The PDB contracting method is not expected to increase the cost or decrease the availability of specialized expertise necessary for the public improvement. Design availability and cost of design services are not anticipated to be impacted since the method for contracting these services is not significantly different from those found in the traditional design-bid-build contracting method. Construction availability and cost are also not anticipated to be impacted because a competitive process is required for all subcontracted work, unless otherwise justified by the General Conditions of the contract. This results in costs and materials availability that are comparable to those found in the traditional design-bid-build contracting method. Additionally, this project is anticipated to garner significant interest from many firms throughout the region, resulting in a competitive environment similar to the traditional project delivery and contracting method.

f) Any likely increases in public safety;

No adverse effects to public safety are anticipated as a result of pursuing the PDB contracting method. The contractor will be following the same industry construction standards and City Public Works standards and will be using the same best practices as with the traditional contracting method.

The PDB procurement method allows the City to use historical safety performance on similar projects as a PDB team selection criteria. It also permits the City to work closely with the contractor to ensure that the design and work sequences include appropriate safety measures, that the contractor understands the City's safety concerns and that the contractor will take appropriate steps to address them.

The PDB method promotes better collaboration with the contractor during design resulting in increased public and City staff safety through increased vetting of construction

means and methods.

g) Whether granting the exemption may reduce risks to the contracting agency, the state agency or the public that are related to the public improvement;

The PDB contracting method differs from the traditional design-bid-build method in that the construction contractor is involved in the design process, typically very early. The contractor's involvement in design allows the contractor to better understand the design details, existing conditions, and construction sequencing requirements and allows them to input their knowledge of risks based on their past experience. This knowledge reduces the risk of change orders, claims, and the exceedance of the project schedule. The contractor can participate in risk workshops and identify potential risks which can be evaluated for severity and probability and in which design efforts may reduce the potential impacts or, in some cases, eliminate the risk altogether.

Once the design for the project has reached a pre-determined milestone, a GMP is then provided to the City which the City has reviewed, negotiated, and to which the City agrees. The PDB will use this price to complete the construction of particular phases of the projects. This method of obtaining negotiated construction costs is anticipated to minimize the number of change orders on a project and as a result minimize cost overruns; furthermore, the reduction in project uncertainty with having the contractor involved during design translates into cost savings to the City in the form of reduced contingency.

h) Whether granting the exemption will affect the sources of funding for the public improvement;

Funding for the Project will primarily be through the Year 2000 Urban Renewal funds with the remaining funds coming from a combination of the Clackamas Vehicle Registration Fee, Willamette Water Supply Program Right-of-Way Lease, Road Operating Fund (Gas Tax Revenue), Fee-In-Lieu Transportation Fund, Frog Pond Supplemental Fee, and the Street and Sewer System Development Charge Funds. The City does not anticipate these funding sources pose restrictions to the proposed PDB contracting method.

i) Whether granting the exemption will better enable the contracting agency to control the impact that market conditions may have on the cost of and time necessary to complete the public improvement;

Using the PDB method, benefit-cost decisions can be made using real-time construction costs to keep the project within budget. Materials, equipment and sub-trade work can be procured early to eliminate price uncertainty and lessen the impact of price escalation during the construction period. In addition, under PDB the City has the flexibility to award early construction work packages (e.g. phasing a subproject early, procurement of long-lead time material, etc.) prior to overall project design completion; furthermore, having the contractor on board during design through the PDB method allows the City to adjust the project budget during design when true pricing is understood, so the project budget reflects the true cost of the design.

The PDB method provides flexibility to reduce the impact of market conditions, specifically through schedule acceleration. This savings in time lessens the impact of the price increases occurring in the current market conditions. For these reasons, granting an exemption to competitive bidding will better enable the City to control the impact that market conditions may have on the cost of and time necessary to complete the public improvement.

j) Whether granting the exemption will better enable the contracting agency to address the size and technical complexity of the public improvement;

The Boeckman Dip project will be challenging due to the technical complexity and the scale of the bridge and road improvements in the environmentally sensitive Boeckman Creek area. The integration of the road, signal, and sewer projects adds complexity, but having a PDB team's coordination between all the work enables the City to more efficiently complete all four projects and not deliver them piece meal. This complicated work will require ongoing coordination with City staff, the Owner's Representative, the design engineer, and the construction contractor. The PDB selection process allows the City to consider the proposer's experience and expertise in this type of work, sensitivity to safety, legal, and operational issues, as well as the general qualifications of its project manager, and support team.

k) Whether the public improvement involves new construction or renovates or remodels an existing structure;

These public improvements involve new construction, reconstruction, and renovation. The bridge project renovates and reconstructs Boeckman Road by replacing substandard roadway infrastructure making needed safety improvements by correcting a vertical curve deficiency and upgrading the steep, narrow, rural roadway to an urban standard to serve all modes. The other projects add needed pedestrian and bicycle facilities, signalize a non-signalized intersection to meet level of service standards, and construct a new sanitary sewer line to accommodate Frog Pond buildout. Using a PDB method, the construction contractor is part of the project team early on and is involved in field investigation and design coordination, thereby reducing the risk of discovering unknown conditions while renovating existing and constructing new infrastructure.

l) Whether public improvement will be occupied or unoccupied during construction;

It will be essential to complete construction with the smallest possible interruption to the transportation network. There will be a period of time when the roadway will be closed due to construction of the bridge. This closure is inevitable and would be required regardless of the procurement method. The PDB method however, will allow the contractor to plan project phasing and timing of the improvements and associated shutdowns to allow streamlined construction with the intent of reducing closure durations.

m) Whether the public improvement will require a single phase of construction work or multiple phases of construction work to address specific project conditions;

Phasing of the project has not yet been determined and is a primary area of optimization to be gained by utilizing the PDB method and the resulting contractor/designer/owner teamwork. The utilization of the PDB contracting method will allow critical path improvements to be identified and phased in packages accordingly to maximize productivity in project delivery and reduce overall impact to the corridor.

n) Whether the contracting agency or state agency has, or has retained under contract, and will use contracting agency or state agency personnel, consultants and legal counsel that have necessary expertise and substantial experience in alternative contracting methods to assist in developing the alternative contracting method that the contracting agency or state agency will use to award the public improvement contract and to help negotiate, administer and enforce the terms of the public improvement contract.

The City will include previous PDB experience among the qualifications to be competitively evaluated in selecting the owner's representative, design engineer and the construction contractor.

3. Additional Findings

OAR 137-049-0630(3)(b) permits other findings, in addition to those listed above, to be considered with regard to the expected benefits and drawbacks of particular Alternative Contracting Methods. The following discussion of benefits and drawbacks of this contracting method may be a duplication of those found above, but they are the main elements to consider for the PDB contracting method, so additional dialogue is warranted.

a) Advantages

More cohesive project team.

With the PDB contracting method the contractor and designer can work as a team to get the projects designed and built that would otherwise be handled separately with likely multiple design teams and construction contractors for the City to coordinate. Having one cohesive project team results in fewer design-related change orders, reduces the number of potential claims created by the project, boosts quality assurance, and provides overall adaptability and flexibility to optimize project phasing for the greatest benefit to the public.

Shortest delivery schedule.

Not only does the PDB contracting method eliminate the necessity of a construction bid phase, the contractor may also begin the construction of the project prior to the design reaching 100 percent or complete "ready" sub-project "packages" to move the schedule along more efficiently. Both of these factors can greatly expedite the completion of the project; furthermore, the PDP method allows for the project phasing to be optimized by being well matched to the PDB construction team's experience and specific means, methods and capacities; this can allow reduced overall construction duration for the improvements so they are available to the public in the shortest amount of time.

Owner can reject guaranteed maximum price without significant project delays. Should a

GMP not be agreeable to the owner, an off-ramp is built in to this contracting method. This off-ramp has two options, the first of which is to finish the design to 100 percent and competitively bid the project. The second option is to terminate the first contract and attempt to negotiate with another PDB.

b) Drawbacks

Limited opportunities to make changes to the project's scope once guaranteed maximum price has been established.

Costs could be high for changes that are made to the project after the guaranteed maximum price has been established. This is not dissimilar from changes made after a project has been bid for the traditional contracting method, the difference is that the contracting agency has a larger timeframe to establish their initial decisions using the traditional methods.

Public outreach can be limited.

Public outreach and public comment needs to be sought at the beginning of the project, scope alterations after the guaranteed maximum price has been established is not recommended - as noted above. However, with PDB, the contractor can be involved in public outreach, can establish a relationship with stakeholder, and provide additional insight into potential project impacts.

Summary

Using a competitive proposal PDB contracting method to select a contractor who has experience with these types of projects provides many benefits. The use of this process will not diminish competition or result in favoritism and is expected to result in overall cost savings to the City. Most important, completion of the project in a timely manner reduces impacts to the City and ensures quality, safety, and reliability both during and after construction.