



# City of Oregon City

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## Staff Report

File Number: 18-416

**Agenda Date:** 9/19/2018

**Status:** Agenda Ready

**To:** City Commission

**Agenda #:** 6a.

**From:** James Band

**File Type:** Resolution

### **SUBJECT:**

Resolution No. 18-23, Adopting Findings in Support of Alternative Construction Method CM/GC for the Construction of the Police and Municipal Courts Facility

### **RECOMMENDED ACTION (Motion):**

Staff recommends that the City Commission approve Resolution No. 18-23, adopting findings in support of alternative construction method Construction Manager/General Contractor method (or "CM/GC") for the Police and Municipal Courts Facility.

### **BACKGROUND:**

On September 19, 2017, the voters of Oregon City authorized the issuance of bonds in the principal amount up to \$16 million to provide a new Police and Municipal Court Facility. On November 15, 2017, the City Commission approved Resolution No. 17-28 to authorize and execute the sale and issuance of the bonds, and related transactions. These funds will be added to the existing Community Safety Advancement Fee (CSAF) revenues in reserve.

Staff is moving forward with next steps, which include getting the construction team selected and under contract. To date, a technical advisor, project management/owner's representative firm, and architectural firm have been selected. The final area of expertise required to complete the team is construction.

In a typical building project, the architect completes a design for the building, an invitation to bid is sent out, contractors bid on the project, and the City is required to select the contractor with lowest responsible bid. However, state law allows for alternative contracting methods, including the Construction Manager/General Contractor method (or "CM/GC"). This allows the contractor to join the team during the design process. The CM/GC method has multiple benefits, which include insulating the City from price fluctuations in a volatile market and allowing the City to prioritize budget decisions while designing the building. Due to the sequential order of bidding, CM/GC allows the City to have potential savings during design and construction. Because of the technical challenges related to security, confidentiality, and a police department's interaction with the community, staff believes that the Police and Municipal Courts project would benefit greatly by using the CM/GC method.

In order for a public project to use CM/GC, the City must adopt findings explaining why the City is doing so. In addition, the City must hold a Public Hearing to allow the public to review and

comment on those findings. Notice of the Public Hearing was posted in the Daily Journal of Commerce on August 27, 2018, two weeks prior to the Public Hearing, and was prominently posted at the Library, City Hall, the Pool, and the Pioneer Community Center.

The attached Findings describe the benefits of using the CM/GC method. Staff believes that the Police and Municipal Courts Facility project will benefit greatly from using CM/GC. Staff recommends that the City Commission adopt Resolution 18-23 authorizing the City to use the CM/GC method for the Police and Municipal Courts Facility project.