

## Purpose

The Three Rivers School District Board of Directors, acting as the Local Contract Review Board, is being asked to approve an exemption from the standard competitive bidding process. This approval would allow the District to use an alternative contracting method called Design-Build for its Energy Conservation Projects.

Under Oregon law (ORS 279C), public agencies normally award construction contracts to the lowest responsible bidder. While this works well for many projects, it is not always the best approach for technical projects that involve engineering, permitting, and work inside occupied school buildings.

For these reasons, the District is proposing to use the Design-Build method.

## What is Design-Build?

Design-Build is a project delivery method where one firm is responsible for both design and construction. Instead of hiring a designer first and then bidding the project, the District selects a qualified Design-Build firm or firms through a competitive Request for Proposals (RFP) process.

This firm will:

- Engineer the systems
- Obtain permits
- Coordinate construction
- Complete the work

## Why Design-Build is Recommended

These Energy Conservation Projects include upgrades to:

- Mechanical systems
- Direct digital controls
- Lighting systems
- Other energy-consuming systems

This work is technical and requires specialized expertise. The traditional low-bid process does not work well because the contractor must engineer and permit the work after bidding. Design-Build allows this work to be integrated from the start.

## Key Benefits of Design-Build

### Early Collaboration

The contractor joins the team early and helps with system design, constructability, and scheduling.

### Faster Project Delivery

Systems can be engineered, permitted, and fabricated off-site. This shortens schedules and reduces disruptions at school sites.

**Better Cost Control**

Budgets and schedules are developed early. This reduces change orders and unexpected costs.

**Single Point of Accountability**

One firm is responsible for design and construction. This improves quality control and communication.

**Improved Safety**

Off-site fabrication reduces work on campus and improves safety for students, staff, and the community.

**How the Selection Process Works**

- The District publicly advertises a Request for Proposals statewide
- Interested firms submit proposals
- A review committee scores proposals using published criteria
- Top-ranked firms may be interviewed
- The best-value firm is selected based on qualifications, experience, approach, safety, and pricing
- Contract terms follow District policy and legal review

**How Fairness is Ensured**

- The process is publicly advertised
- All firms receive the same information
- Proposals are scored using a point system
- Subcontractors are competitively bid
- The District oversees the entire process

**How the Project is Funded****Funding includes:**

- Grants
- State energy funds
- Energy Trust of Oregon incentives
- District funds

Design-Build helps stretch limited dollars and maximize energy upgrades.

**Safety During Construction**

- Work occurs while buildings are occupied
- Contractors must follow OR-OSHA rules
- Scheduling is coordinated with school staff
- Off-site fabrication reduces campus disruption

## Why Not Just Choose the Lowest Bid?

Lowest bid works well for simple projects. These projects require:

- Engineering
- Permitting
- System integration
- Careful sequencing

Design-Build allows problems to be solved early, before construction starts. This reduces change orders and delays.

## What the Board is Approving

The Board is not selecting a contractor tonight.

### The Board is approving:

- Use of Design-Build instead of low bid
- Authorization to issue a competitive RFP
- The procurement method only

Final contract approval follows District policies.

## Conclusion

The District believes Design-Build will provide the best value by:

- Controlling costs
- Improving safety
- Reducing schedule risks
- Delivering high-quality results

The District looks forward to answering any questions and continuing to work together to maintain safe, functional, and welcoming facilities for our community.

## Recommended Motion

"I, [Board Member's Name], move to accept the findings of fact for the Design-Build alternative contracting method as presented."