Background on the Request for an Alternative Contracting Method

The Three Rivers School District Board of Directors, acting as the local contract review board, is being asked to consider an exemption from the standard public bidding process. The request is to use a two-step procurement process called Request for Qualifications | Invitation to Bid (RFQ | ITB) for the Seismic Retrofit Project at Lincoln Savage Middle School.

Oregon law (ORS 279C) outlines the process public agencies must follow for public improvement contracts, requiring contracts to be awarded to the lowest responsive bidder. While this approach can work well for some projects, it has significant limitations. The law does not provide a robust way to confirm if the lowest bidder is truly qualified to handle the complexity of a project. Without a qualification process, there is a risk of selecting a contractor who might not be the best fit for the job.

To address this concern, we are recommending the RFQ | ITB process, which allows the District to pre-qualify contractors before bidding. This approach ensures that only experienced, capable contractors are considered for the project, while still maintaining a competitive bidding process.

How the RFQ | ITB Process Works

1. **Step 1: Request for Qualifications (RFQ)**

   The District will publicly advertise a Request for Qualifications. Contractors interested in the project will submit their qualifications, which will include details about their experience with public construction, their team's capabilities, and their capacity to take on the project. A selection committee will review and score the submissions, choosing at most, the top four most qualified contractors.

2. **Step 2: Invitation to Bid (ITB)**

   Once the four contractors have been pre-qualified, they will be invited to submit bids for the project. The bidding documents will be publicly advertised, specifying the date and time for bid submission. These documents will also be shared with regional plan centers—organizations that distribute bidding documents to subcontractors and suppliers—ensuring a fair and transparent process.

   On the bid date, the bids from the pre-qualified contractors will be publicly opened and read aloud. The contract will then be recommended for award to the lowest bidder among the pre-qualified contractors.

Why This Process is Beneficial

HMK Company has successfully implemented the Two-Step RFQ | ITB procurement process on numerous projects, and the results have consistently been positive. This method has ensured that contracts are awarded to highly qualified contractors, all of whom have successfully completed their projects on time and within budget.