

Background

The Molalla River School Board, acting as the local contract review board, is being asked to approve an exemption from the standard public bidding process. The proposed alternative procurement method is known as **Construction Manager/General Contractor (CM/GC)**.

Under Oregon law (ORS 279C), public improvement contracts must be awarded to the lowest responsive bidder. While this method works for many projects, it has limitations. Specifically, it does not ensure that the lowest bidder is qualified to handle complex projects. Without a qualification step, there is a risk of selecting a contractor who lacks the necessary experience or capacity.

To address this concern, we recommend adopting the CM/GC process. This approach allows the District to select a contractor based on qualifications and experience early in the project, ensuring that only capable firms advance to the pricing and preconstruction phase, while still incorporating competitive elements to achieve best value for the District.

How the CMGC Process Works

Step 1: Request for Proposals (RFP)

The District will publicly advertise a Request for Proposals. Interested firms will submit information about their experience with public construction, proposed project team, and capacity to perform preconstruction and construction services. A selection committee will review and score these submissions, identifying the most qualified firms to advance to interviews.

Step 2: CMGC Selection

Shortlisted firms may be invited to participate in interviews. During these interviews, the District will evaluate each firm's approach to project delivery, collaboration, schedule management, cost control, and overall qualifications. Final scoring will determine the highest-ranked firm, which the District will then select as the CMGC.

Step 3: Preconstruction Services and GMP Negotiation

Once selected, the CMGC will work collaboratively with the District and design team during preconstruction to provide cost estimating, constructability reviews, value engineering, and schedule input. When the design reaches an appropriate level of completion, the CMGC will solicit competitive subcontractor bids and use this pricing as the basis for negotiating a Guaranteed Maximum Price (GMP) with the District. If negotiations are successful, the GMP will be incorporated into the construction contract.

Molalla River School District
Mulino Elementary School Seismic Rehabilitation
CM/GC Alternative Contracting Method – Request for Consideration

Benefits of This Approach

ZCS has successfully implemented the CM/GC process on numerous projects with consistently positive results. This method ensures contracts are awarded to highly qualified contractors who deliver projects on time and within budget.

Recommended Motion

“I, [Board Member’s Name], move to accept the findings of fact for the CM/GC alternative contracting method as presented and approve Resolution 2025-2026.007 as presented.”