



**Proposal for Construction Project Management Services  
Sheridan School District**

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October 28, 2013

DeAnn O'Neil, Business Manager  
Sheridan School District  
435 South Bridge Street  
Sheridan, Oregon 97378

Dear DeAnn,

HMKCO is pleased to submit this response to the Requests for Proposals for Construction Project Management Services. The Sheridan School District project is one we are particularly interested in, because we are the team that completed the pre-bond planning. We have the proven track record of delivering Project Management services to school districts, although previously with Willamette Education Service Districts Project Solutions Group.

We are project managers who represent owners managing their construction projects from concept to completion. Our proposal is an a-la-carte menu allowing the district to choose those that best serves their project specific needs. School Construction is our only business; we are experts who pride ourselves in developing a service oriented business model that focuses on the customer and delivering their project to market in ways that achieve their goals.

HMKCO understands the work that needs to be done and we are committed to perform the work within the time period. Our proposal response is an irrevocable offer for thirty (30) working days.

Please accept this response to your RFP for services.

Sincerely,

A handwritten signature in blue ink, appearing to read 'David McKay', written over a light blue circular stamp.

David McKay, HMKCO Managing Member  
EIN# 46-2838549

## **INTRODUCTION**

HMKCO looks forward to the possibility of assisting The Sheridan School District with providing project management services for the current capital improvement project. Project Management is the process of adding value through control and predictability during the planning, design, construction, and acceptance phases of each project.

We set and achieve ambitious goals and outcomes for each project we are privileged to assist with. The keys to our success have been to implement a systematic approach through the efforts of the best people we can employ.

### **B.1.a. Describe your firm including the office location, service area, volume of construction project management services, length of time in industry, and financial stability.**

David McKay, formerly the Director of PSG, reopened Harlan McKay Company, the company he previously operated in response, to Willamette Education Service Districts (WESD) closure of the Project Solutions Group (PSG). Their decision was a response to the high associated payroll costs (APC) no longer allowing the program to remain in cost recovery. HMKCO is an assumed business name for Harlan McKay Company LLC, operating as a Limited Liability Corporation. HMKCO retained PSG's two most seasoned Project Managers, David McKay and Jim Howell. Despite the transition back into the private sector, HMKCO was able to maintain their intellectual property and take their **extensive** experience that they have accrued from their successes.

We are Owner Project Managers specializing in school construction, our only business. We offer project management, construction management, constructability and building commissioning services for school districts throughout the State of Oregon. In the past 12 years we have completed in excess of \$400 Million in project planning and completed construction for Oregon school districts. Our experience in providing project services to school districts is exemplified by a commitment and proven track record for delivering projects to market on time, under budget, and efficiently achieving owner's goals.

HMKCO's office is located in Salem, Oregon, 37 miles from Sheridan. Over the last 12 years we were successful in achieving economies of scale by grouping like projects together as well as managing several projects concurrently minimizing travel costs and maximizing our exposure within the region. We have developed strong relationships with the local contractors and have a good reputation with many local design professionals. Our considerable experience has proven that we are able to serve projects extremely well, regardless of the region our projects are located in.

#### **Length of Time in Industry**

HMKCO's team has over 60 years of combined construction management experience. David McKay has spent the last 35 years in the construction industry holding various roles, the last 18 years representing school districts as an owners project manager. Jim Howell, for the last 25 years, has served in various capacities from engineering to project management. Jim is an expert in HVAC and mechanical systems. Our experience is a tremendous proven asset for owners. We can ensure that sustainable, long lasting decisions are made that challenge architects and general contractors to think from an owner's perspective. Since we represent the owner, our primary focus is ensuring that the outcome of the project fits your needs. We have developed and maintained industry standards that many school districts choose to adopt as their own. During the completion process we want to ensure the owner is aware of warranties; is comfortable with controls and HVAC systems; and has a succession plan for monitoring and maintaining facilities. We do not leave a project until the owner is satisfied and comfortable with all aspects of the completed project.

#### **Financial Stability**

Our financial stability is very strong for a recently formed company. HMKCO started with successfully completing projects for the Helix School District, Central Point School District, Eagle

Point School District, Umatilla School District, Greater Albany Public Schools, and currently providing pre-bond planning for the Yamhill Carlton School District.

**Financial Stability**

Our financial stability is very strong for a recently formed company. HMKCO started with successfully completing projects for the Helix School District, Central Point School District, Eagle Point School District, Umatilla School District, Greater Albany Public Schools, and currently providing pre-bond planning for the Yamhill Carlton School District.

***B.1.b. Describe your firm’s relevant experience as a construction project manager on K-12 educational projects or other public projects within the region. Provide a reference contact person and phone number for every school project (over \$500,000) the firm has completed in the last five years.***

**HMKCO Projects**

**Helix School District**

**Darrick Cope, Superintendent**  
(541) 457-2175

We are currently managing a \$4.8 Million Capital Construction project which includes bringing modernizations to the High School, HVAC and Data Communication improvements to the Elementary School & Middle School, and a new gymnasium. While we were working for the WESD, we provided the pre-bond planning and began capital design and construction with the bond passage. The Helix School District transitioned the contract to HMKCO when the WESD’s Project Solutions Group closed.

**Eagle Point School District**

**Ken Gruenwald, Facility Manager**  
(541) 890-6092

We are managing a \$1.6 Million roofing project at Eagle Point High School and White City Elementary School. In addition, we are managing a \$700,000 Mechanical upgrade and controls project at Eagle Point High School. The project includes new high efficiency boilers, cooling tower, and control upgrades.

**Central Point School District**

**Spencer Davenport, Business Manager**  
(541) 494-6211

We managed a \$1.5 Million water damage project at Crater High School. This was an insurance project repairing damage after approximately 1.5 million gallons of water flowed through the school. The project included additional improvements beyond the scope of the insurance damage.

We managed a \$400,000 re-roofing project for Sam’s Valley Elementary School. The work included tear off and installation of new built up roof system as well as sidewall, metal siding at the gymnasium.

Both of these projects were initially contracted with WESD, but were transitioned to HMKCO with the closure of the PSG

**Greater Albany Public Schools**

**Doug Pigman, Facility Manager**  
(541) 967-4513

Closeout of \$4.5 Million, ESPC project.

Timber Ridge Middle School roof failure defect litigation project, we have been hired to represent the school district as they pursue replacement of a defective roof installed on one of their new schools.

We managed a \$1.5 Million seismic upgrade project at Central Elementary School. All of these projects were initially contracted with WESD, but were transitioned to HMKCO with the closure of the PSG

*The following projects were constructed during David McKay's tenure as the Director of the Project Solutions Group at WESD.*

**Eagle Point School District**

**Ken Gruenwald, Facility Manager**  
(541) 890-6092

We constructed the new Hillside Elementary School. Hillside Elementary School is a 53,400 square foot full-service 22-classroom elementary school facility with full kitchen, gymnasium and library/media center.

Through several design and cost control iterations, the district decided to pursue a previously constructed building design by BBT Architects for Bend/La Pine School District. This innovative approach to cost control and risk management offered several advantages: immediate savings on design fees, lessons learned from previous construction, mitigate unforeseen problems during construction, and reduce plan check/permitting duration.

**Dayton School District**

**Janelle Beers, Superintendent**  
(503) 864-2215

We assisted the district with bond planning efforts and provided project management services for a new \$5,864,000 high school athletic facility, \$2,267,000 in improvements to the middle school science wing, a new gymnasium/cafeteria and kitchen for the elementary school and a new \$945,000 baseball field complete with restroom facilities and concessions stand.

**Helix School District**

**Darrick Cope Superintendent**  
(541) 457-2175

We provided pre-bond planning and capital construction management for the \$1.4 million bond passage in 2008. The project constructed a two classroom addition at the elementary school and modernizations to the gymnasium building.

**Pilot Rock School District**

**Gordon Munck, Superintendent**  
(541) 969-9871

We provided the pre-bond planning and then managed their \$3.42 million capital bond project that modernized the heating and ventilation system in their three schools. The project included an assortment of additional other projects at the Middle School and Elementary School.

When the project was completed, after air conditioning was added, energy consumption was reduced by 60% resulting in a \$60,000 annual energy savings. These savings have been maintained for three consecutive years.

**Ione School District**

**Jerry Archer, Principal**  
(541) 422-7131

The project consisted of a two classroom addition to the elementary school, new carpet in the elementary school, classroom automation interactive whiteboard with sound enhancement for both the elementary and high school, installation of a new roof at the high school, that included a continuous standing seam metal roof for the gymnasium barrel roof, a new HVAC system, new windows, exterior doors and interior and exterior painting at the high school.

**Three Rivers School District**  
(541) 862-3111

**Lisa Cross, Business Manager**

The project included installation of two biomass boilers in Cave Junction schools at a budgeted cost of \$695,000. Other projects included lighting retrofit projects in ten schools, new high-efficiency boilers in five schools, new water heating systems in four schools, air conditioning for computer rooms in the high schools, demand control ventilation (Co2 sensors) in four schools, Direct Digital Control (DDC) systems and upgrades to existing control systems.

Prior to the 2010 projects, the district had a documented decrease in electrical and fossil fuel costs of \$116,000 per year. The estimated savings from the water heater and boiler projects is \$47,000 per year, in addition, a \$45,000 per year savings for the biomass boilers. The district has also received over \$1.5 million in grants, tax incentives, stimulus dollars and utility rebates—all of which was successfully researched and obtained by the Project Solutions Group.

**Jefferson School District**

**Kent Klevitz, Superintendent**  
(541) 327-3337

We managed mechanical upgrade projects at the elementary and middle school including new heating, ventilation, and controls valued at \$750,000.

**Cascade School District**

**Darren Drill, Superintendent**  
(503) 749-8305

We successfully completed the new 24,000 square foot, \$13,160,000 high school addition that included a six classroom wing, theater, gymnasium, weight room, wrestling room, boys and girls lockers rooms and team rooms.

The 54,000 square foot, \$11,140,000 Aumsville Elementary School project consisted of a new 21 classroom K-4 building with full kitchen, commons and Gymnasium.

Turner Elementary School consisted of a 5,000 square foot, \$1,100,000 4-classroom addition.

Jim McBride was the acting Superintendent during the bond project and can be reached at (503) 932-1510.

*"As our District contuse to wrestle with the problems of old schools, and inadequate energy conservation practices, the expertise that you and your staff has brought applied to our problems has been helpful, timely, and professional.*

*-David Marshall, Three River's School District*

**Jefferson School District**

**Kent Klevitz, Superintendent**  
(541) 327-3337

We managed mechanical upgrade projects at the elementary and middle school including new heating, ventilation, and controls valued at \$750,000.

**Hood River School District**

**Nick Hogan, Business Manager**  
(541) 386-2511

We managed a complex Energy Service Performance Contract valued at \$5.5 Million that constructed projects and numerous buildings throughout the school district.

***B.1.d. Identify the specific personnel, to whom responsibility for the District's project will be assigned, including individual name(s), title(s), role(s), and relevant experience. Identify the lead project manager and provide three reference contact persons and phone numbers. Discuss other simultaneous project assignments these staff are involved with, their duration and commitment requirements as a percentage of time of the named staff.***

Our history and philosophy is to staff projects with experienced people who have had successful careers in the Construction Management Industry and have demonstrated a talent and commitment to teamwork.

Successful teamwork results from understanding the objectives of the project, making a commitment to specific achievable goals and collaborating in executing project objectives.

Current Assignments	Project	Completion	FTE
<b>David McKay, Project Director</b>			
Helix School District	2013 Capital Project Project Closeout	January 2014	.2 - .4
Greater Albany Public Schools	ESPC Project Closeout	March 2014	.1
Greater Albany Public Schools	Timber Ridge Middle School	October 2015	.1 - .2
<b>Jim Howell, Senior Project Manager</b>			
Eagle Point School District	EPHS 2013 Mechanical Upgrade Project	December 2013	.2
Greater Albany Public Schools	2013 Mechanical Upgrade Project	December 2013	.1
<b>Chris McKay, Contract Specialist</b>			
Project support for current projects			.6





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## David McKay

### *Managing Member*

David has more than 35 years experience in construction planning and management. David's most recent experience was the development of Willamette ESD Project Solutions Group. They provided project management services to school districts assisting them in planning and construction. David has developed and executed processes assisting districts with SB 1149 Energy Conservation program, 73 school districts with 350 campuses within the State of Oregon. He is responsible for developing processes and systems to efficiently audit the 350 campuses, define and prioritize with the Owner projects, and manage the design & construction phase. David has also assisted districts with their Capital Construction Project. WESD PSG has completed projects and planning for over 93 districts valued at over \$400 million. David is known as an expert in school construction in Oregon and has been recently appointed by Governor Kitzhaber to the Schools Facility Task Force.

### *Education*

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Idaho State University  
Pocatello

Prior to this David, was the Senior Project Manager for the Washougal School District bond program valued at \$52 million. The Washougal School District program includes modernization and addition of four elementary, one high school, construction of one new middle school, and high school athletic complex. Responsibilities include coordinating with state and local agencies, developing joint use agreements, developing district-wide standards, and coordinating projects with the district maintenance department.

David served as the Project Manager for Central Bethany Development overseeing the development and construction of a mixed-use private development known as Bethany Village valued at over \$150 million. As project manager, David was responsible for construction administration, project scheduling, budgeting, and was primary contact for jurisdictional relations during the permit process.

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*"It is a pleasure to write a brief review on behalf of David McKay, Project Manager for the Crane-Huntington Lighting Retrofit Project. Without David's professional service, communication, follow-up and negotiation skills and abilities, it is my opinion that this project would never have been completed, let alone deemed a success. Should we have another project on the future, I would not hesitate to give David a call."*

*- Tim Adsit, Superintendent, Harney County School District No. 4 and 1 J*



## **Jim Howell**

### **Senior Project Manager**

Jim has more than 25 years engineering experience in project management, construction, consulting and design. Jim's most recent position was Senior Project Manager for WESD. He has worked with school districts to develop HVAC, BAS Control, and mechanical upgrades.

In the past Jim has been involved in the high-tech industry at Intel, Mitsubishi Silicon and National Semiconductor. At Mitsubishi Jim was the Manager of the Plant Engineering Department and was personally responsible for up to \$37 million in capital projects. He successfully supported and improved all plant facilities including process control systems, HVAC, process gasses and chemicals and electrical distribution. The department was responsible for \$100 million in capital spending. Jim also led five successful corporate programming sessions and was responsible for collecting and prioritizing all capital requests.

Jim started his career as a field engineer installing and repairing large turbines and generators for General Electric. This included installation of all power plant components, repairs and start-up. He also worked several years designing and supporting potable and ultra pure water treatment plants for municipalities and industry.

*"Jim, thank you for this very detailed work. I would like to think it should not be necessary to second check contractor billings to this level of scrutiny, but unfortunately you have proved time and again that it really is necessary. One of the best decisions Randall and I made in this whole ESPC process was hiring WESD to help keep an eye on things for us. Your service has been invaluable. Please feel free to use me as a reference for any future schools you talk to."*

*- Nick Hogan, Finance Director, Hood River County School District*

### **Education**

Master of Business Administration,  
*Oregon State University,*

2004 Master of Arts in Theology

Bachelor of Science in Mechanical Engineering,  
*University of Portland*

Bachelor of Arts in Philosophy

**Registration**  
Professional Engineer  
Oregon & California



## **Chris McKay**

### ***Project Engineer***

Chris is the newest member to the HMKCO team. He comes from a strong construction background and is a 3<sup>rd</sup> generation builder. Since Chris joined the team he has gained proficiency in construction documentation support. He is responsible for the assembly of all project specifications, advertisements, notices, contracts, and various state agency fees. He brings great passion and energy to the tasks and activities he is involved with. Throughout the design and construction phases Chris provides the project managers support with various project related tasks.

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### ***Education***

Bachelor of Business  
Management and Human  
Resources,  
*Simpson University*

### **References:**

#### **David McKay**

Darrick Cope, Superintendent Helix School District  
Ken Gruenwald, Facility Manager Eagle Point School District  
Spencer Davenport, Business Manager Central Point School District

#### **Jim Howell**

Nick Hogan, Business Manager Hood River School District  
Kent Klewitz, Superintendent, Jefferson School District  
Doug Pigman, Facility Manager Greater Albany Public Schools

***B.1.e. If proposing more than one person for the program, provide an organizational chart of project team hierarchy and briefly describe each person(s) role on the program and their commitment as a percentage of their time to the District's program.***

<b>HMKCO Staff</b>	<b>Responsibility/ Capacity</b>	<b>Average FTE Dedicated to Project</b>
David McKay, Project Director	Oversight, Primary District Contact	.1 - .3
Jim Howell, Senior Project Manager	Project Manager	.2 - .4
Chris McKay, Contract Specialist	Contract and Document Management	.4

As the Project Director, David will be the school districts point of contact. Although there will be interaction with other project team members, he will be responsible for board updates including budget, schedule, and other requested reporting. Oversight of all project deliverables and workflow assignments will be his responsibility. He will take the lead role on the roofing, field lighting, technology upgrade, and other miscellaneous projects.

Jim Howell will provide oversight of the mechanical, building envelope, and plumbing projects. This includes management of the design, construction, and closeout of these projects.

Chris McKay, is responsible for document control and management. This includes, under the direction of the Project Director, issuance of RFP's, project specifications, notices, Contracts, permit and fee applications, and other document control activities throughout the project.

***B.1.f. Describe your firm's philosophy of service as the District's representative.***

HMKCO looks forward to partnering with the Sheridan School District by providing Construction Project Management and Owner's Representation services for the capital construction and modernization projects. Project Management is the process of adding value through control and predictability during the planning, design, construction, and post-construction phases of each project.

We are a service-based organization that seeks first to deliver relevant high quality project management services to Oregon school districts. David developed this model at WESD and has continued it at HMKCO. We do not have shareholders that require us to generate large profits. This affords us the ability to invest more time into the processes that make projects successful. We take great pride in the service we provide; this is evident by our many satisfied clients.

We set and achieve ambitious goals and outcomes for each project we are privileged to assist with. The keys to our success have been to implement a systematic approach through the efforts of the best people we can employ and by creating a partnership with all key project stakeholders. Our approach builds strong partnerships with the district and its community by building a strong foundation of collaboration to help ensure overall project success.

**HMKCO Goals and Outcomes**

The goals and outcomes of our process are to:

- Identify Team Members and Primary Stakeholders
- Define team goals and build partnership
- Assist in the development and collaboration of key relationships
- Provide guidelines and uniformity
- Document decisions
- Minimize unexpected events

- Ensure participation by important parties
- Expedite problem resolution
- Enhance productivity
- Provide historical perspective to new team members
- Establish baselines for future decisions
- Provide measures for success and failure
- Identify alternative strategies, materials and methods that contribute to project success

Adherence and commitment to the above guiding principles will create an atmosphere conducive to success.

Members of HMKCO have made K-12 School Construction their primary focus for over 18 years. Because of this history and our direct experience in Oregon education, we have an intimate knowledge of the various Oregon Statutes governing public purchasing as well as the laws and regulations governing public education, public construction and a variety of other regulatory compliance issues relevant to jurisdictions in Oregon.

Because our business model is a service-first based business venture, our preferred contract structure is actual professional and non-professional time plus expenses with a total maximum cost cap.

***B.1.g. Describe your firm's approach to effective project communications, collaborative team management, and the project manager's role as the District's representative to coordinate services of the architect and work of the contractor towards accomplishment of project goals of the District.***

### **Effective Project Communication**

We take pride in our approach of effective communication and cooperation, while acting as the liaison coordinating services of the architect and work of the contractor to accomplish the districts project goals.

There are many people from the owner's organization that need to be informed or participate in the decision making process. Our initial task will be to understand these relationships and put into place a management plan designed to facilitate the free flow and quick dissemination of information.

We assist the process by giving the design team, contractors and district personnel one point of contact for project needs. This doesn't mean that we have all the answers, but we facilitate communication to improve efficiency.

Our goal is to help establish the tone and spirit of communication at the start of each phase – pre-design, design, construction and closeout.

District communication involves explaining in detail, the impacts of decisions as they relate to design, construction, legal, jurisdictional, or educational issues. Communication procedures will include building staff, district representatives, and the school board. We do this in terms and concepts understandable by the users of this information, despite its often-technical nature. Our project management report includes narratives, schedules, cost information and photographs that are useful to convey the objectives and status of projects. This material is easily adapted to web format for distribution to a wider audience if desired.

Furthermore, we can assist the district in identifying other stakeholders and supporting communication with them. These stakeholders may include central office administration, bond oversight committee, staff, students, designers, neighbors, business leaders, utility companies, public agencies and contractors.

## **Collaborative Team Management**

Leadership, teamwork, and communication skills must be extended through all project phases from "concept to completion" for the project team to function efficiently and mitigate potential claims.

This begins with creating an atmosphere of cooperation. Our project management team has extensive field experience functioning as engineers, construction workers, project superintendents and construction company project managers. Consequently, we are skilled in design and construction problem solving and issue resolution. Collaborative team interaction also entails excellent documentation skills. We have developed a series of tools to accomplish this objective. We don't spend countless hours replicating what others are already doing, but we will supplement with progress reports, photographs, important decisions, and other pertinent information to protect the owner's interests.

**A key communication forum is the periodic project meeting.** Goals, objectives and expectations will be defined and discussed early in the process. The following are among activities we will conduct on the owner's behalf:

- Review progress
- Review for conformance to contract documents and quality installations
- Plan for school disruptions
- Coordinate owner responsibilities
- Perform background checks
- Review and resolve outstanding issues
- Analyze change order requests
- Resolve clarification requests
- Review submittals
- Review pay applications
- Observe construction methods
- Safety precautions
- Address owner concerns
- Document progress, action items, and decisions

We work toward gaining understanding and agreement. Our aim is to resolve project challenges quickly enabling project progress to continue achieving the owner's project goals.

***B.1.h. Describe your firm's approach/methodology to effectively manage the District's expectations and the program's budget, schedule and quality of work.***

### **Development of Project Budgets**

Establishing accurate estimates and budgets and implementing strong cost controls are essential elements in project success. The four primary components that impact cost are the owner, architect, contractor and jurisdictional agencies. Establishing accurate estimates and budgets and implementing strong cost controls are essential elements in project success.

We have developed many tools and processes to assist districts with the often conflicting objectives of low cost, high quality and aggressive schedules. Our approach is to start with the standardized tools we have developed. We then adapt them to the particular needs of the project and finally execute them with diligence and discipline.

The elements of a complete budget program are:

- Well-defined scope of work.
- Clear understanding of budget caps or targets.
- Personnel authorized to alter budgets and/or scopes identified.
- Clear concise communication tools to graphically identify and resolve budget issues.

- Accurate matching of scope with budget.
- Insisting that consultants design to budget and clearly delineate impacts on scope.
- Understand relationship among cost, schedule, quality, and scope.
- Adequate Design and Construction contingencies.

### **Energy Conservation and Incentives**

HMKCO has extensive expertise in evaluating potential incentives for energy conservation from numerous sources including: Business Energy Tax Credits (BETC), SB1149, Energy Trust of Oregon (ETO) as well as additional incentives offered by utility companies throughout the state. We will work with the district to obtain incentives available for these projects.

### **Development of Project Schedule**

HMKCO has never failed to meet a critical completion date, even with difficult weather and design issues. While we have little control over the execution of the contractor and designer's work, we facilitate comprehensive planning and plan for various contingencies. Tools and processes to be employed on the District's behalf would include: Relevant Planning Sessions, Weekly meetings, Key Milestones and Closeout procedures.

We require from the Contractor (and consultants in some cases) a weekly updated 3-week schedule to keep the project team up-to-date with progress as well as to ensure proper planning and coordination.

### **Key Milestones**

HMKCO typically develops a comprehensive schedule for the entire planning, design, construction & closeout process. We particularly try to identify and establish key milestone dates that communicate the common objectives of the project.

We also require the Contractors to provide a detailed Critical Path Method schedule for the construction phases. We thoroughly analyze the schedule for adequate level of detail, logic, float, critical path, constraints, milestones, Owner requirements and closeout procedures.

### **Weekly Meetings**

Regular meetings between designers and owner's representatives must occur. It is imperative that milestones are established and met. Alternatives to conducting work in vacated facilities must be developed.

Once construction begins, periodic on-site meetings with the Architect and appropriate design consultants take place. Contractor's questions and coordination of owner responsibilities will be given a high priority at these meetings. Many construction related claims can be avoided or mitigated by paying attention to these important tasks.

### **Cost Control**

Minor variations in the work: The project manager may authorize minor variations in the work from the requirements of the contract documents, providing they do not adjust the contract price or time and which are consistent with the overall intent of the contract documents. The PM will provide to the District copies of such authorizations.

Change Orders: The project manager will establish and implement a change order control system. All changes to the contract between the district and contractor will only be by change order, executed by the District.

District-Initiated Changes: All proposed changes will first be described in detail by the project manager in the form of a change order proposal, issued to the contractor. In response to the change order proposal, the contractor will submit to the project manager for evaluation detailed information concerning the price and time adjustments if any, as may be necessary to perform the proposed

change order work. The contractor's proposal will include all backup documentation needed to substantiate any change to the contract sum or time.

### **Quality Control**

HMKCO has developed an extensive set of procedures to achieve quality control. We primarily focus on three areas:

1. Is the project what the owner wanted?
2. Is the project what was communicated in the plans and specifications?
3. Is the project constructed to industry standards?

Our team of project managers have extensive experience as construction professionals and understand the expectations regarding quality.

The heart of our quality control program is periodic observation during construction. Our team members go through the projects and compare what is being built with the plans and specifications. Observation reports with digital photography are used to document any non-conformance issues. These are distributed to the contractor and architect for resolution. We maintain a log of these issues and will pursue until all are satisfactorily resolved.

### **Closeout Phase Services**

HMKCO will work diligently to implement an orderly and timely transfer of facilities to the Owner. Programs we devise, implement, and document include procedures for punch list completion, commissioning, as-builts, O&M manuals, color schedules, owner facility training, occupancy permits, warranties, release by jurisdictions, surety consent, lien administration, spare parts, keys, schedules and extra stock.

Closeout is a difficult, major event. Unresolved issues only act to exacerbate the difficulty associated with this phase. HMKCO will work to make this phase orderly, organized and complete.

HMKCO operates in a state of continuous improvement. We track lessons learned and meet regularly to discuss. Sharing this knowledge in a systematic fashion enables the team to reap the benefits of these lessons and apply them to current and future projects.

### **Commissioning**

Commissioning is essential for quality construction in new buildings, and highly recommended whenever substantial changes are made to an existing building's controls or mechanical systems. Commissioning ensures that building systems are installed and functioning properly and that district personnel are trained to operate the equipment. It also offers a cost-effective approach to providing energy savings as well as non-energy benefits, such as, ensuring efficient interoperability of numerous, complex systems.

### **Warranty Management**

HMKCO has developed a tracking system for School Districts to report all warranty-related issues to the contractor and track these issues with a master log. This log becomes the starting point for establishing the 1-year warranty walkthroughs. ) gvoe

### **Support Technology Capabilities**

HMKCO has a vast array of support technology capabilities including, on-line databases and specific web-site domain for posting all construction bid specifications and associated bidding documents. In addition, HMKCO utilizes project management software and programs to track project billing and scheduling including MS Project and DOVICO. HMKCO can provide pertinent project reports, billing updates, project progress reports and board updates utilizing these technologies. HMKCO also has extensive experience working with school district personnel responsible for updating web-site information. Allowing the school district to report construction progress to their communities.



**B.1.i. Describe what special services, systems or qualifications your firm has that would benefit the District in carrying out this program.**

Throughout this proposal we have described various distinctions that set us apart from our competition. School construction is our only business. We have more experience with Oregon schools than any other firm, having worked with 93. The diversity of projects successfully completed is unparalleled. We have constructed the types of projects listed in your scope of work numerous times with outcomes that exceeded owner's expectations. In addition, we have experienced working with the local building officials. We have gained strong expertise in finding and obtaining energy incentives that help offset project costs. The personnel assigned to the various aspects of this project have the qualifications and experience needed to manage these scopes of work from concept to completion achieving the districts goals.

**B.1.k. Describe your proposed fees, escalation rates and expense structure for construction project management services. The unit rates provided shall be the basis for fee negotiations with the successful firm.**

Our fee structure is based upon cost recovery model; Owner's are only billed for the actual time spent on the project as per the hourly rate structure. We will determine together the scope of work and not to exceed contract amount. Our billings are actuals allowing cost savings to accrue back to the school district.

**Billable Rate Structure**

<i>Project Director</i>	\$105.00 Per Hour
<i>Senior Project Manager</i>	\$105.00 Per Hour
<i>Contract Specialist</i>	\$ 55.00 Per Hour

Mileage as per the IRS allowable reimbursable rate

Reimbursable expenses direct cost pass through plus 10%

**B.1.1. Propose a guaranteed maximum price for the Pre-Bond Phase Activities listed below.**

Our understanding is that the Pre-Bond Phase Activities have been completed and that any remaining activities would be billed at our normal billable rate structure.

# PILOT ROCK SCHOOL DISTRICT 2R

P.O BOX BB  
101 N.E. CHERRY  
STREET  
PILOT ROCK, OREGON  
97868



"An Equal Opportunity Employer"

## BOARD MEMBERS

Carla Callahan  
Richard Hemphill  
Mark Mascal  
Delores McLaren  
Randy Mills  
Randy Schuening  
Tim Weinke

September 25, 2012

Dr. David Novotney and WESD Board of Directors  
Willamette Educational Service District  
2611 Pringle Road SE  
Salem, Oregon 97302-1533

Dr. Novotney,

It has been my pleasure to work with David McKay and the Projects Solutions Group for about, eight years. The purpose of this letter is to document just how much help David and his team have been to Pilot Rock School District and to me personally as superintendent.

My first exposure to David came at a time when SB 1149 dollars were being made available. David's group was advertised as available to help districts elect to utilize those dollars in meaningful and energy-savings projects. After discussions with David we elected to do a district-wide lighting upgrade. David provided assistance on both SB 1149 dollars and obtaining QZAB bonds to make that project effortless. He helped select contractors through to the punch list that verified the project was successfully completed.

An emergency gymnasium floor issue brought David back to Pilot Rock. We had a steam leak under the floor just prior to basketball season, requiring total removal of the old flooring down to the joists and subsequent building of the new flooring. By Christmas break we had a new floor as well as a set of new bleachers for that floor. David was able to work with our insurance providers to document the cause of the damage. David's contacts, firm expectations, and tight scheduling provided Pilot Rock with what we needed when we needed it most. We got a lot of "bang for our buck" spending about \$150,000.

In 2005 I had considerable confidence in David and began talking to him about major upgrades to our heating and electrical systems district wide. Our discussions led to community meetings where David provided technical information about both the HVAC products being recommended as well as the potential tax credits, funding options, and other details necessary to make a several million dollar project "go." We went out for a bond in November, 2006. It failed. David came back; we held meetings with constituents to ask what we needed to do to obtain their "yes" votes. They told us to provide a heating system that would outlive the life of the bond. In November of 2008 we had a sophisticated bond proposal suggesting either a Mitsubishi or Daikin HVAC system meeting our community's expectations for durability and longevity. The \$3,400,000 bond passed after numerous community meetings and phone campaigns, significantly backed by David McKay's persistent presence and emphasis on the need for Pilot Rock's community to support its schools with modernization of infrastructure. Community leaders in Pilot Rock know David and recognize the determination he brought with him to ensure this project was right for the community and that it was, and is, seen through to completion.

**SUPERINTENDENT / ELEMENTARY PRINCIPAL**  
Gordon Munck  
(541) 443-8291  
FAX# (541) 443-8000

**HIGH SCHOOL PRINCIPAL**  
Anna L Teeter  
(541) 443-2671  
FAX # (541) 443-2120

At about the same time as the bond's passing and beginning the design phase, we had a tremendous wind storm, lifting or removing large portions of several roofs on district buildings. WESD's group came to our rescue, first by identifying the potential contractors available to do emergency repairs, and then by bringing in experts who determined that we had roofs that had lifted and settled back down. The experts were able to convince insurance adjusters that the roofs were damaged by the wind storm and that several buildings needed new roofs as a result. David provided the expertise in design and product determination. The roofs were repaired in the main through insurance dollars, saving the district over \$500,000.

David was always "right there" in helping nudge the HVAC project along and was absolutely ready to initiate the design, bidding and construction phases once funding was available. None of us in Pilot Rock had experience with this kind of construction project, so WESD's expertise was required. Several team members for the Projects Solutions Group came to Pilot Rock regularly to help define what we would build, to select contractors with sufficient experience in this field to successfully make the project work, and to work with the engineers, electricians, and principal contractor, YMC, to get the job done.

David was phenomenal in his determination to make this project work as designed. We selected the right contractor, YMC. Their execution of the installation was superb; their support as we move along using the systems is on time, friendly, and always seen through to "it works as expected." This system has proven my doubt about the effects of indoor air quality: students no longer fall asleep after lunch because of "warm air" and carbon dioxide level increases. David was right. Providing fresh air at the right temperature greatly improves the learning environment. In 2009-10, prior to the new HVAC system's implementation, we used 92 MTBU's in the district. In 2010-11, the first year of the new system, we reduced that to 36 MTBU's, saving the district over \$60,000 real dollars in energy costs. That buys the better part of one teacher every year going forward.

Recently, David's group has worked diligently to ensure that the Oregon Department of Energy followed through on BETC credits, including working with a local bank, Columbia River Bank, to partner with us to return to the district between \$125,000 and \$175,000.

I know several other districts in eastern Oregon that have partnered with WESD's Project Solutions Group to successfully implement modernization of aging infrastructure. Milton-Freewater, Lone, Umatilla, and Helix have all benefited by using this group's combined expertise. I know that when I call David McKay that I'll get prompt and thorough analysis of my needs and quickly receive recommendations for what I need to do and where I need to go to get it when I have facilities questions. David is not only a highly competent advisor but now a trusted friend. I know of no other group that offers this kind of service, and it has been a lifesaver for Pilot Rock School District several times.

The economic and political climate has not been kind to Willamette ESD. I want to emphasize that the Project Solutions Group has been a great asset to Pilot Rock School District, even in times of shortages in that group's staffing. I encourage you to continue to make this service available to districts in Oregon.

Sincerely,

A handwritten signature in black ink that reads "G Munck". The signature is written in a cursive, flowing style.

Gordon Munck



# Jackson County School District 9

P.O. Box 548

Eagle Point, OR 97524

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March 4, 2013

Dear Ladies and Gentlemen:

It is my pleasure to write this letter of recommendation for Mr. David McKay, Senior Project Manager from Willamette Education Service District. I have worked with Mr. McKay the past five years and have watched, with great appreciation, his expertise in leading Jackson County School District 9 successfully through many projects including two very large capital improvement projects.

The largest project, Hillside Elementary School, was completed on time and occupied one year ago as of spring break. This new school project was grounded since 2002 due to the fact that there was not sufficient funding. As the district began to revisit the possibility of building a new school, we knew we needed the expertise that Mr. McKay could bring to the table. And what a great outcome the district realized. Hillside Elementary was completed with the allotted funding even leaving over \$1.6 million for further capital improvements in the district.

More specifically, the complete services that Mr. McKay provided from the beginning on Hillside Elementary included the pre-design phase such as building needs assessments, site evaluations, planning meetings with district staff and other government planning authorities. This role continued on to managing the RFP process for architects, coordinating design review, approvals by regulatory agencies, managing the construction bid process and full availability during the construction phase; weekly contractor/owner meetings, contract administration, commissioning and project closeout.

With the remaining capital improvement dollars from Hillside Elementary, Jackson County School District 9 is currently moving forward with major roofing projects at Eagle Point High School and White City Elementary. For these projects, Mr. McKay is providing comprehensive project management services: acquiring design and engineering services, bidding and contract management, and construction oversight and contract closeout.

Mr. McKay has also provided services for recent high school mechanical projects as designated by SB1149 Energy Retrofit and Improvement Projects. Specifics include complete management services from project planning phases, acquiring design, engineering, and architectural services, bidding and contract management services, construction phase management, commissioning and the closeout process.

David McKay has been the project manager for these recently completed and current projects. Has also been the district project manager for other energy retrofit projects and other general construction-related projects in the past. He provides much needed technical expertise, experience, and problem-solving skills.

Mr. McKay is an excellent communicator and team player who presents himself in a professional manner at all times. Mr. McKay is a trusted owner's representative with unquestioned personal integrity who has performed outstanding work for our school district.

Please give Mr. McKay your most serious consideration. As the superintendent of Jackson County School District 9, I give Mr. McKay my highest recommendation!

Respectfully,

A handwritten signature in cursive script, appearing to read "Cynda S. Rickert".

Cynda S. Rickert