EXHIBIT A

CM/GC EXEMPTION FINDINGS FOR THE CENTRAL LIBRARY PROJECT
ORS 279C.330(1) AND ORS 279C.335(2)(b)

1. Firms Available to Bid. All interested and qualified contractors statewide will have an opportunity to provide a response to the RFP, which will be advertised in the *Daily Journal of Commerce*.

2. Operational, Budget, and Financial Data. The District's recent bond measure provides approximately $116,530,000.00 to plan, design, and construct a new Central Library to serve the City of Bend and Deschutes County ("Project"). This is a significant amount of money in relation to the District's budget and resources. Due to the critical timing and nature of the Project, careful coordination and scheduling will be essential. The District finds that the ability to carefully screen experienced contracting firms in this area will significantly affect the Project schedule and cost. Other agencies in Oregon have used the CM/GC method to alleviate financial risk by minimizing delay and requests for additional work and change orders. By using a CM/GC, the District expects to find that reduced risks provide a significant value and substantial cost savings to the District.

3. Public Benefit. Members of the public will benefit from the efficient construction and completion of the Project because they will receive access to the new Central Library's educational and recreational resources sooner, decreasing strain on the capacity of existing public libraries. In addition, the public will benefit from the improved quality and lower cost through use of the CM/GC process. Approving the CM/GC exemption will allow a contractor to be hired earlier in the process than the traditional design-bid-build process. In turn, this improves the District's ability to complete the Project on time. Creating a team at the start of the Project, comprised of the Architect, the District, and CM/GC, will result in a more informed and better-quality decision-making process. A more efficient construction team reduces the District's financial exposure and enhances delivery of the Project.

4. Value Engineering. The RFP selection process, early involvement of the contractor, and negotiated contract approach gives the contractor a significant opportunity to engage in value engineering (i.e., the evaluation of what a system does as compared to cost). The selected CM/GC will be brought on board immediately following award of a contract in order to assist the Project team with construction scheduling, phasing, costing, operator interaction issues, quality assurance, and design constructability reviews. The selected CM/GC will also advise the District and the design team regarding specialty construction issues and any long lead time procurements. CM/GC contributions to the design phase permit a collaborative approach to value engineering which ultimately translates into time and cost savings realized by the District. Construction issues which may not otherwise be known to the design team can be factored in and addressed while the design is drafted. In turn, this results in a higher quality product, lower costs, and a shorter timeline.

5. Specialized Expertise. It is important to utilize a general contractor that has demonstrated expertise in managing, scheduling, and performing services required for the Project. The District, therefore, finds that selecting a firm through the RFP process allows the District to contract with a firm with the appropriate CM/GC expertise. The necessary mix of experience and expertise for a CM/GC contractor cannot be adequately evaluated in a formal lowest responsible bid selection process. A qualified project manager with strong leadership skills is one of the components required for a successful CM/GC project. The RFP process will allow the District to review the qualifications of each proposer's project manager and confirm the manager's ability, experience, record of quality, past performance and integrity needed to carry out the proposer's contractual obligations. The process will also allow the District to identify qualified teams that have met critical deadlines in past projects and that have the ability to work collaboratively to meet Project needs. The costs for such specialized expertise are included in the overall Project budgets and will be included within accepted GMPs.

6. Public Safety. Using the CM/GC process will promote close coordination between the architect and construction teams, resulting in design and construction of a facility that maximizes public safety during design, construction and use.

7. Funding Source. Bond funds should be used for timely completion of the Project to help justify the voters' approval of the District's bond measure, and meet applicable spending deadlines. Approving the CM/GC exemption will allow a contractor to be hired earlier in the process than the traditional design-bid-build process, which will enable District to complete the Project on time. Thus, the District finds that utilizing the CM/GC method will allow District to maximize the effectiveness of the voter approved bond measure.

8. Market Conditions. Identifying and contracting with the full Project team at an early stage will allow the District to capitalize on current market conditions, rather than having them affect a later bid/build phase. Such cost and market variables can be anticipated in the GMP, but ultimately should have no effect on the District. The CM/GC subcontractors cannot go over the GMP, but may come in under the GMP, and the District will realize those cost differences. Having a qualified CM/GC play a role as an integrated team member early in the Project with the District and other Project members also adds expertise to the design phase, which translates into District savings and provides more budgetary certainty.

No negative financial impacts to the District are expected as a result of using the RFP solicitation process to select a CM/GC for the Project. There is a sufficient pool of qualified Oregon-based construction companies with expertise in the type and size of project planned and there are additional qualified firms located in the greater Pacific Northwest. It is anticipated that a substantial number of competitors will submit proposals for this Project, allowing the District to select from among a number of qualified contractors.

9. Technical Complexity. Because of the site and schedule constraints, effective project planning and coordination will be crucial among the District, project manager, and CM/GC. Strong budget and schedule controls will be essential. The conventional design-bid-build approach would pose too much risk for the District on this Project. The CM/GC will bring specific construction expertise to the team process and assist in addressing specific Project challenges as part of its pre-construction services. The CM/GC will also provide input on issues

such as public safety, phasing, and coordinated scheduling. The CM/GC method encourages innovative planning and coordination that further improve the construction schedule and on-site conditions. The ability to coordinate and manage this project would be especially challenging to an inexperienced or narrowly-focused team. The RFP process allows the District to consider the proposer's experience and expertise in completing this type of work, its sensitivity to safety, legal, and operational issues, and the qualifications and experience of its project manager and support team.

10. Funding Sources. The District will finance the Project using proceeds from a recent successful bond measure. Other funding sources are not available. Therefore, it is critical for the District to complete the Project within its budget and on time. The CM/GC process, with its maximum price provisions, value engineering potential, constant oversight from a project manager, and construction input beginning in the design phase, will help the District stay within its budget and wisely spend public funds.

11. New Construction or Renovation of an Existing Structure. The Project involves the construction of a new public library facility.

12. Occupied or Unoccupied During Construction. This criterion is not applicable, as the Project involves new construction, rather than improvements to an existing facility.

13. Single Phase or Multiple Phases of Construction Work to Address Specific Project Conditions. The Project includes a multiplicity of technical issues related to constructing a new public library facility. The Central Library will be a 3-story structure constructed on an undeveloped 12-acre parcel at Highway 20 and Robal Road in Bend, Oregon. Considerable project infrastructure will be required, which must be coordinated with multiple local and state agencies. The planned Central Library will serve all of Deschutes County, including a state-of-the-art learning center for children, flexible gathering spaces for a variety of purposes from business meetings/collaboration to study rooms for students to DIY activities, a technology hub and a performance and art space. It will also house the material handling and administrative components for the entire Deschutes Public Library system. This centralization will streamline distribution and collections of resources, and facilitate easier access to materials at the other regional facilities. Project scope will include site development, coordination with ODOT for new street construction, and a bike path. A possible maintenance facility and overflow parking lot with pedestrian access across Robal Road would require additional agency and development partner coordination. It is important to the Project's budgetary and scheduling success that the District have a sophisticated general contractor on board early in the process that understands these complexities, possesses experience and skill to manage these types of complex projects, and who can define and refine the construction process. Further, the project contractor must be able to develop bid instructions which will attract appropriate subcontractors to perform Project work. This codification of the Project processes will ensure the most efficient and cost effective outcome with the earliest end user turnover of the Library for its intended use. The District, therefore, finds that selecting a firm through the CM/GC method allows the District to contract with a firm with the needed technical phasing expertise.

14. Whether the District has the Personnel, Consultants and Legal Counsel with Necessary Expertise and Substantial Experience in Alternative Contracting Methods. Staff, in

conjunction with the Architect (who was chosen based upon qualifications and experience with the CM/GC project delivery model), an experienced contractor, as well as other Project team members and the District Legal Counsel, together, will have the level of expertise with the CM/GC alternative contracting method needed to produce a high-quality Project outcome. The District acknowledges that the expertise will come primarily from non-staff elements. To this end, the District's contract with its chosen Owner Representative, Architect, and Legal Counsel obligate each of these team members to assist with and oversee the CM/GC selection process.

15. Unlikely to Encourage Favoritism or Substantially Diminish Competition. As noted in Finding 1, CM/GC competition will be encouraged through the use of an RFP solicitation process, with notice of the RFP published state-wide to reach a wide range of potentially interested proposers. No reduction of competition is expected because the RFP for this CM/GC contract will be advertised in the same manner as a traditional low bid solicitation, with full disclosure of the planned CM/GC alternative contracting method. Uniform evaluation criteria will be used in the selection and award of the CM/GC firm, and the construction work elements will be subcontracted and procured through open competitive bids managed by the CM/GC and based on identified selection criteria. Favoritism cannot play a role in the selection of the CM/GC, as award will be based upon set, weighted RFP criteria. All qualified firms will be able to participate in an open, competitive selection process, with an opportunity to protest the award before it is final.

16. Will Result in Substantial Cost Savings. The CM/GC contracting method has the potential to achieve substantial cost savings for the District through the involvement of the contractor in the design phase of the Projects. Early input by the CM/GC during the design process is expected to contribute to general cost savings through constructability assessments, life cycle cost analysis, and value engineering. By having the CM/GC available before the design is finalized, the contractor is able to participate in the design, propose cost saving revisions, and ensure the constructability of the Project so that costly change orders are less likely.

Cost savings will also be realized because, through the RFP selection process, the District can select a well-organized, experienced CM/GC. This should also lead to fewer change orders and, in turn, reduce staff and Architect time to design, negotiate, and administer the changes.

Lastly, the CM/GC method allows for early procurement of major equipment, allowing the Projects to avoid cost increases due to material shortages or cost escalation. If subcontracted costs are less than identified in the guaranteed maximum price, some or all of the savings will be passed on to the District under the agreement required of the CM/GC.

17. Time Savings. An exempt CM/GC process allows the District to condense the overall time required to complete construction of the Project by enabling the District to procure construction services simultaneously or shortly after soliciting Architect services. Having the CM/GC on board early in the process allows for coordination in the development of the Project construction schedules and the initiation of early site work, where advantageous or warranted. This can help to shorten construction periods. Early detection of potential construction difficulties and material issues, from a contractor's view, can also prevent potential delays and costly and time-consuming change orders.

EXHIBIT B

CM/GC EXEMPTION FINDINGS FOR THE REDMOND LIBRARY PROJECT
ORS 279C.330(1) AND ORS 279C.335(2)(b)

1. Firms Available to Bid. All interested and qualified contractors statewide will have an opportunity to provide a response to the RFP, which will be advertised in the *Daily Journal of Commerce*.

2. Operational, Budget, and Financial Data. The District's recent bond measure provides approximately $47,270,000.00 to plan, design, and construct a new library located in its current downtown location within the City of Redmond ("Project"). This is a significant amount of money in relation to the District's budget and resources. Due to the critical timing and nature of the Project, careful coordination and scheduling will be essential. The District finds that the ability to carefully screen experienced contracting firms in this area will significantly affect the Project schedule and cost. Other agencies in Oregon have used the CM/GC method to alleviate financial risk by minimizing delay and requests for additional work and change orders. By using a CM/GC, the District expects to find that reduced risks provide a significant value and substantial cost savings to the District.

3. Public Benefit. Members of the public will benefit from the efficient construction and completion of the Project because they will receive access to the new Redmond Library's educational and recreational resources sooner, decreasing strain on the capacity of existing public libraries. In addition, the public will benefit from the improved quality and lower cost through use of the CM/GC process. Approving the CM/GC exemption will allow a contractor to be hired earlier in the process than the traditional design-bid-build process. In turn, this improves the District's ability to complete the Project on time. Creating a team at the start of the Project, comprised of the Architect, the District, and CM/GC, will result in a more informed and better-quality decision-making process. A more efficient construction team reduces the District's financial exposure and enhances delivery of the Project.

4. Value Engineering. The RFP selection process, early involvement of the contractor, and negotiated contract approach gives the contractor a significant opportunity to engage in value engineering (i.e. the evaluation of what a system does as compared to cost). The selected CM/GC will be brought on board immediately following award of a contract in order to assist the Project team with construction scheduling, phasing, costing, operator interaction issues, quality assurance, and design constructability reviews. The selected CM/GC will also advise the District and the design team regarding specialty construction issues and any long lead time procurements. CM/GC contributions to the design phase permit a collaborative approach to value engineering which ultimately translates into time and cost savings realized by the District. Construction issues which may not otherwise be known to the design team can be factored in and addressed while the design is drafted. In turn, this results in a higher quality product, lower costs, and a shorter timeline.

5. Specialized Expertise. It is important to utilize a general contractor that has demonstrated expertise in managing, scheduling, and performing services required for the Project. The District, therefore, finds that selecting a firm through the RFP process allows the District to contract with a firm with the appropriate CM/GC expertise. The necessary mix of experience and expertise for a CM/GC contractor cannot be adequately evaluated in a formal lowest responsible bid selection process. A qualified project manager with strong leadership skills is one of the components required for a successful CM/GC project. The RFP process will allow the District to review the qualifications of each proposer's project manager and confirm the manager's ability, experience, record of quality, past performance and integrity needed to carry out the proposer's contractual obligations. The process will also allow the District to identify qualified teams that have met critical deadlines in past projects and that have the ability to work collaboratively to meet Project needs. The costs for such specialized expertise are included in the overall Project budgets and will be included within accepted GMPs.

6. Public Safety. Using the CM/GC process will promote close coordination between the architect and construction teams, resulting in design and construction of a facility that maximizes public safety during design, construction and use.

7. Funding Source. Bond funds should be used for timely completion of the Project to help justify the voters' approval of the District's bond measure, and meet applicable spending deadlines. Approving the CM/GC exemption will allow a contractor to be hired earlier in the process than the traditional design-bid-build process, which will enable District to complete the Project on time. Thus, the District finds that utilizing the CM/GC method will allow District to maximize the effectiveness of the voter approved bond measure.

8. Market Conditions. Identifying and contracting with the full Project team at an early stage will allow the District to capitalize on current market conditions, rather than having them affect a later bid/build phase. Such cost and market variables can be anticipated in the GMP, but ultimately should have no effect on the District. The CM/GC subcontractors cannot go over the GMP, but may come in under the GMP, and the District will realize those cost differences. Having a qualified CM/GC play a role as an integrated team member early in the Project with the District and other Project members also adds expertise to the design phase, which translates into District savings and provides more budgetary certainty.

No negative financial impacts to the District are expected as a result of using the RFP solicitation process to select a CM/GC for the Project. There is a sufficient pool of qualified Oregon-based construction companies with expertise in the type and size of project planned and there are additional qualified firms located in the greater Pacific Northwest. It is anticipated that a substantial number of competitors will submit proposals for this Project, allowing the District to select from among a number of qualified contractors.

9. Technical Complexity. Because of the site and schedule constraints, effective project planning and coordination will be crucial among the District, project manager, and CM/GC. Strong budget and schedule controls will be essential. The conventional design-bid-build approach would pose too much risk for the District on this Project. The CM/GC will bring specific construction expertise to the team process and assist in addressing specific Project challenges as part of its pre-construction services. The CM/GC will also provide input on issues

such as public safety, phasing, and coordinated scheduling. The CM/GC method encourages innovative planning and coordination that further improve the construction schedule and on-site conditions. The ability to coordinate and manage this project would be especially challenging to an inexperienced or narrowly-focused team. The RFP process allows the District to consider the proposer's experience and expertise in completing this type of work, its sensitivity to safety, legal, and operational issues, and the qualifications and experience of its project manager and support team.

10. Funding Sources. The District will finance the Project using proceeds from a recent successful bond measure. Other funding sources are not available. Therefore, it is critical for the District to complete the Project within its budget and on time. The CM/GC process, with its maximum price provisions, value engineering potential, constant oversight from a project manager, and construction input beginning in the design phase, will help the District stay within its budget and wisely spend public funds.

11. New Construction or Renovation of an Existing Structure. The Project involves the construction of a new public library facility.

12. Occupied or Unoccupied During Construction. This criterion is not applicable to the extent that the Project involves new construction, rather than improvements to an existing facility. For that reason it will be unoccupied, but no relocating of existing staff, furnishings or equipment is required.

13. Single Phase or Multiple Phases of Construction Work to Address Specific Project Conditions. The Project includes a multiplicity of technical issues related to constructing a new public library facility. The Redmond Library will be reinvented as a 2-story structure in its current downtown location as a vibrant library for growing community needs. The new library will serve as a primary location for children exploration and discovery in Redmond and will provide expanded programming and classes in flexible and multi-use spaces for all ages. Project scope will include the analysis and possible demolition of the current facility built in 1929, site development for connection to existing downtown infrastructure and be linked with the regional DPL material handling system for Library users across Deschutes. It is important to the Project's budgetary and scheduling success that the District have a sophisticated general contractor on board early in the process that understands these complexities, possesses experience and skill to manage these types of complex projects, and who can define and refine the construction process. Further, the project contractor must be able to develop bid instructions which will attract appropriate subcontractors to perform Project work. This codification of the Project processes will ensure the most efficient and cost effective outcome with the earliest end user turnover of the Library for its intended use. The District, therefore, finds that selecting a firm through the CM/GC method allows the District to contract with a firm with the needed technical phasing expertise.

14. Whether the District has the Personnel, Consultants and Legal Counsel with Necessary Expertise and Substantial Experience in Alternative Contracting Methods. Staff, in conjunction with the Architect (who was chosen based upon qualifications and experience with the CM/GC project delivery model), an experienced contractor, as well as other Project team members and the District Legal Counsel, together, will have the level of expertise with the CM/GC alternative contracting method needed to produce a high-quality Project outcome. The District

acknowledges that the expertise will come primarily from non-staff elements. To this end, the District's contract with its chosen Owner Representative, Architect, and Legal Counsel obligate each of these team members to assist with and oversee the CM/GC selection process.

15. Unlikely to Encourage Favoritism or Substantially Diminish Competition. As noted in Finding 1, CM/GC competition will be encouraged through the use of an RFP solicitation process, with notice of the RFP published to reach a wide range of potentially interested proposers. No reduction of competition is expected because the RFP for this CM/GC contract will be advertised in the same manner as a traditional low bid solicitation, with full disclosure of the planned CM/GC alternative contracting method. Uniform evaluation criteria will be used in the selection and award of the CM/GC firm, and the construction work elements will be subcontracted and procured through open competitive bids managed by the CM/GC and based on identified selection criteria. Favoritism cannot play a role in the selection of the CM/GC, as award will be based upon set, weighted RFP criteria. All qualified firms will be able to participate in an open, competitive selection process, with an opportunity to protest the award before it is final.

16. Will Result in Substantial Cost Savings. The CM/GC contracting method has the potential to achieve substantial cost savings for the District through the involvement of the contractor in the design phase of the Projects. Early input by the CM/GC during the design process is expected to contribute to general cost savings through constructability assessments, life cycle cost analysis, and value engineering. By having the CM/GC available before the design is finalized, the contractor is able to participate in the design, propose cost saving revisions, and ensure the constructability of the Project so that costly change orders are less likely.

Cost savings will also be realized because, through the RFP selection process, the District can select a well-organized, experienced CM/GC. This should also lead to fewer change orders and, in turn, reduce staff and Architect time to design, negotiate, and administer the changes.

Lastly, the CM/GC method allows for early procurement of major equipment, allowing the Projects to avoid cost increases due to material shortages or cost escalation. If subcontracted costs are less than identified in the guaranteed maximum price, some or all of the savings will be passed on to the District under the agreement required of the CM/GC.

17. Time Savings. An exempt CM/GC process allows the District to condense the overall time required to complete construction of the Project by enabling the District to procure construction services simultaneously or shortly after soliciting Architect services. Having the CM/GC on board early in the process allows for coordination in the development of the Project construction schedules and the initiation of early site work, where advantageous or warranted. This can help to shorten construction periods. Early detection of potential construction difficulties and material issues, from a contractor's view, can also prevent potential delays and costly and time-consuming change orders.

EXHIBIT C

CM/GC EXEMPTION FINDINGS FOR THE DOWNTOWN BEND LIBRARY PROJECT
ORS 279C.330(1) AND ORS 279C.335(2)(b)

1. Firms Available to Bid. All interested and qualified contractors statewide will have an opportunity to provide a response to the RFP, which will be advertised in the *Daily Journal of Commerce*.

2. Operational, Budget, and Financial Data. The District's recent bond measure provides approximately $20,180,000.00 to plan, design, and construct improvements to an existing library located in downtown Bend ("Project"). This is a significant amount of money in relation to the District's budget and resources. Due to the critical timing and nature of the Project, careful coordination and scheduling will be essential to timely completion of the Project and to minimizing impacts to operations at the existing library facility during construction. The District finds that the ability to carefully screen experienced contracting firms in this area will significantly affect the Project schedule and cost. Other agencies in Oregon have used the CM/GC method to alleviate financial risk by minimizing delay and requests for additional work and change orders. By using a CM/GC, the District expects to find that reduced risks provide a significant value and substantial cost savings to the District.

3. Public Benefit. Members of the public will benefit from the efficient construction and completion of the Project because they will receive access to the Downtown Bend Library's enhanced educational and recreational resources sooner, decreasing strain on the capacity of other existing public libraries. In addition, the public will benefit from the improved quality and lower cost through use of the CM/GC process and from minimized impacts to operations at the existing library facility during construction. Approving the CM/GC exemption will allow a contractor to be hired earlier in the process than the traditional design-bid-build process. In turn, this improves the District's ability to complete the Project on time. Creating a team at the start of the Project, comprised of the Architect, the District, and CM/GC, will result in a more informed and better-quality decision-making process. A more efficient construction team reduces the District's financial exposure and enhances delivery of the Project.

4. Value Engineering. The RFP selection process, early involvement of the contractor, and negotiated contract approach gives the contractor a significant opportunity to engage in value engineering (i.e. the evaluation of what a system does as compared to cost). The selected CM/GC will be brought on board immediately following award of a contract in order to assist the Project team with construction scheduling, phasing, costing, operator interaction issues, quality assurance, and design constructability reviews. The selected CM/GC will also advise the District and the design team regarding specialty construction issues and any long lead time procurements. CM/GC contributions to the design phase permit a collaborative approach to value engineering which ultimately translates into time and cost savings realized by the District. Construction issues which may not otherwise be known to the design team can be factored in and

addressed while the design is drafted. In turn, this results in a higher quality product, lower costs, and a shorter timeline.

5. Specialized Expertise. It is important to utilize a general contractor that has demonstrated expertise in managing, scheduling, and performing services required for the Project. The District, therefore, finds that selecting a firm through the RFP process allows the District to contract with a firm with the appropriate CM/GC expertise. The necessary mix of experience and expertise for a CM/GC contractor cannot be adequately evaluated in a formal lowest responsible bid selection process. A qualified project manager with strong leadership skills is one of the components required for a successful CM/GC project. The RFP process will allow the District to review the qualifications of each proposer's project manager and confirm the manager's ability, experience, record of quality, past performance and integrity needed to carry out the proposer's contractual obligations. The process will also allow the District to identify qualified teams that have met critical deadlines in past projects and that have the ability to work collaboratively to meet Project needs. The costs for such specialized expertise are included in the overall Project budgets and will be included within accepted GMPs.

6. Public Safety. Using the CM/GC process will promote close coordination between the architect and construction teams, resulting in design and construction of a facility that maximizes public safety during design, construction and use.

7. Funding Source. Bond funds should be used for timely completion of the Project to help justify the voters' approval of the District's bond measure, and meet applicable spending deadlines. Approving the CM/GC exemption will allow a contractor to be hired earlier in the process than the traditional design-bid-build process, which will enable District to complete the Project on time. Thus, the District finds that utilizing the CM/GC method will allow District to maximize the effectiveness of the voter approved bond measure.

8. Market Conditions. Identifying and contracting with the full Project team at an early stage will allow the District to capitalize on current market conditions, rather than having them affect a later bid/build phase. Such cost and market variables can be anticipated in the GMP, but ultimately should have no effect on the District. The CM/GC subcontractors cannot go over the GMP, but may come in under the GMP, and the District will realize those cost differences. Having a qualified CM/GC play a role as an integrated team member early in the Project with the District and other Project members also adds expertise to the design phase, which translates into District savings and provides more budgetary certainty.

No negative financial impacts to the District are expected as a result of using the RFP solicitation process to select a CM/GC for the Project. There is a sufficient pool of qualified Oregon-based construction companies with expertise in the type and size of project planned and there are additional qualified firms located in the greater Pacific Northwest. It is anticipated that a substantial number of competitors will submit proposals for this Project, allowing the District to select from among a number of qualified contractors.

9. Technical Complexity. Because of site and schedule constraints, effective project planning and coordination will be crucial among the District, project manager, and CM/GC. Strong budget and schedule controls will be essential. The conventional design-bid-build approach

would pose too much risk for the District on this Project. The CM/GC will bring specific construction expertise to the team process and assist in addressing specific Project challenges as part of its pre-construction services. The CM/GC will also provide input on issues such as public safety, phasing, coordinated scheduling, and minimizing impacts on existing operations at the library facility. The CM/GC method encourages innovative planning and coordination that further improve the construction schedule and on-site conditions. The ability to coordinate and manage this project would be especially challenging to an inexperienced or narrowly-focused team. The RFP process allows the District to consider the proposer's experience and expertise in completing this type of work, its sensitivity to safety, legal, and operational issues, and the qualifications and experience of its project manager and support team.

10. Funding Sources. The District will finance the Project using proceeds from a recent successful bond measure. Other funding sources are not available. Therefore, it is critical for the District to complete the Project within its budget and on time. The CM/GC process, with its maximum price provisions, value engineering potential, constant oversight from a project manager, and construction input beginning in the design phase, will help the District stay within its budget and wisely spend public funds.

11. New Construction or Renovation of an Existing Structure. The Project involves the renovation of an existing public library facility.

12. Unoccupied During Construction. The existing facility will need to have existing materials and staff completely relocated during remodel and construction, adding to the Project's technical complexity.

13. Multiple Phases of Construction Work to Address Specific Project Conditions. The Project includes a multiplicity of technical issues related to constructing improvements to the existing public library facility. The Downtown Bend Library is an existing 2 story wood structure. It will be renovated to recapture staff space for public uses, increase choice and capacity for individual and group seating and work, revitalize the children's library for improved early learning and discovery, and address core, shell, MEP and site maintenance needs. Existing staff and materials will need to be relocated during the remodel. Furthermore, the downtown facility will be linked with the regional DPL material handling system for Library users across Deschutes. It is important to the Project's budgetary and scheduling success that the District have a sophisticated general contractor on board early in the process that understands these complexities, possesses experience and skill to manage these types of complex projects, and who can define and refine the construction process. Further, the project contractor must be able to develop bid instructions which will attract appropriate subcontractors to perform Project work. This codification of the Project processes will ensure the most efficient and cost-effective outcome with the earliest end user turnover of the Library for its intended use. The District, therefore, finds that selecting a firm through the CM/GC method allows the District to contract with a firm with the needed technical phasing expertise.

14. Whether the District has the Personnel, Consultants and Legal Counsel with Necessary Expertise and Substantial Experience in Alternative Contracting Methods. Staff, in conjunction with the Architect (who was chosen based upon qualifications and experience with the CM/GC project delivery model), an experienced contractor, as well as other Project team

members and the District Legal Counsel, together, will have the level of expertise with the CM/GC alternative contracting method needed to produce a high-quality Project outcome. The District acknowledges that the expertise will come primarily from non-staff elements. To this end, the District's contract with its chosen Owner Representative, Architect, and Legal Counsel obligate each of these team members to assist with and oversee the CM/GC selection process.

15. Unlikely to Encourage Favoritism or Substantially Diminish Competition. As noted in Finding 1, CM/GC competition will be encouraged through the use of an RFP solicitation process, with notice of the RFP published to reach a wide range of potentially interested proposers. No reduction of competition is expected because the RFP for this CM/GC contract will be advertised in the same manner as a traditional low bid solicitation, with full disclosure of the planned CM/GC alternative contracting method. Uniform evaluation criteria will be used in the selection and award of the CM/GC firm, and the construction work elements will be subcontracted and procured through open competitive bids managed by the CM/GC and based on identified selection criteria. Favoritism cannot play a role in the selection of the CM/GC, as award will be based upon set, weighted RFP criteria. All qualified firms will be able to participate in an open, competitive selection process, with an opportunity to protest the award before it is final.

16. Will Result in Substantial Cost Savings. The CM/GC contracting method has the potential to achieve substantial cost savings for the District through the involvement of the contractor in the design phase of the Projects. Early input by the CM/GC during the design process is expected to contribute to general cost savings through constructability assessments, life cycle cost analysis, and value engineering. By having the CM/GC available before the design is finalized, the contractor is able to participate in the design, propose cost saving revisions, and ensure the constructability of the Project so that costly change orders are less likely.

Cost savings will also be realized because, through the RFP selection process, the District can select a well-organized, experienced CM/GC. This should also lead to fewer change orders and, in turn, reduce staff and Architect time to design, negotiate, and administer the changes.

Lastly, the CM/GC method allows for early procurement of major equipment, allowing the Projects to avoid cost increases due to material shortages or cost escalation. If subcontracted costs are less than identified in the guaranteed maximum price, some or all of the savings will be passed on to the District under the agreement required of the CM/GC.

17. Time Savings. An exempt CM/GC process allows the District to condense the overall time required to complete construction of the Project by enabling the District to procure construction services simultaneously or shortly after soliciting Architect services. Having the CM/GC on board early in the process allows for coordination in the development of the Project construction schedules and the initiation of early site work, where advantageous or warranted. This can help to shorten construction periods. Early detection of potential construction difficulties and material issues, from a contractor's view, can also prevent potential delays and costly and time-consuming change orders.

EXHIBIT D

CM/GC EXEMPTION FINDINGS FOR THE LA PINE, SISTERS, EAST BEND, AND SUNRIVER LIBRARY BRANCH RENOVATIONS PROJECT ORS 279C.330(1) AND ORS 279C.335(2)(b)

1. Firms Available to Bid. All interested and qualified contractors statewide will have an opportunity to provide a response to the RFP, which will be advertised in the *Daily Journal of Commerce*.

2. Operational, Budget, and Financial Data. The District's recent bond measure provides approximately $6,700,000.00 to plan, design, and construct La Pine, Sisters, East Bend, and Sunriver Library branch renovations ("Project"). This is a significant amount of money in relation to the District's budget and resources. Due to the critical timing and nature of the Project, careful coordination and scheduling will be essential for timely completion of the Project and to minimize impacts to operations at the existing library facilities during construction. The District finds that the ability to carefully screen experienced contracting firms in this area will significantly affect the Project schedule and cost. Other agencies in Oregon have used the CM/GC method to alleviate financial risk by minimizing delay and requests for additional work and change orders. By using a CM/GC, the District expects to find that reduced risks provide a significant value and substantial cost savings to the District.

3. Public Benefit. Members of the public will benefit from the efficient construction and completion of the Project because they will receive access to the renovated libraries enhanced educational and recreational resources sooner, decreasing strain on the capacity of other existing public libraries. In addition, the public will benefit from the improved quality and lower cost through use of the CM/GC process and from minimized impacts to operations at the existing library facilities during construction. Approving the CM/GC exemption will allow a contractor to be hired earlier in the process than the traditional design-bid-build process. In turn, this improves the District's ability to complete the Project on time. Creating a team at the start of the Project, comprised of the Architect, the District, and CM/GC, will result in a more informed and better-quality decision-making process. A more efficient construction team reduces the District's financial exposure and enhances delivery of the Project.

4. Value Engineering. The RFP selection process, early involvement of the contractor, and negotiated contract approach gives the contractor a significant opportunity to engage in value engineering (i.e., the evaluation of what a system does as compared to cost). The selected CM/GC will be brought on board immediately following award of a contract in order to assist the Project team with construction scheduling, phasing, costing, operator interaction issues, quality assurance, and design constructability reviews. The selected CM/GC will also advise the District and the design team regarding specialty construction issues and any long lead time procurements. CM/GC contributions to the design phase permit a collaborative approach to value engineering which ultimately translates into time and cost savings realized by the District. Construction issues which may not otherwise be known to the design team can be

factored in and addressed while the design is drafted. In turn, this results in a higher quality product, lower costs, and a shorter timeline.

5. Specialized Expertise. It is important to utilize a general contractor that has demonstrated expertise in managing, scheduling, and performing services required for the Project. The District, therefore, finds that selecting a firm through the RFP process allows the District to contract with a firm with the appropriate CM/GC expertise. The necessary mix of experience and expertise for a CM/GC contractor cannot be adequately evaluated in a formal lowest responsible bid selection process. A qualified project manager with strong leadership skills is one of the components required for a successful CM/GC project. The RFP process will allow the District to review the qualifications of each proposer's project manager and confirm the manager's ability, experience, record of quality, past performance and integrity needed to carry out the proposer's contractual obligations. The process will also allow the District to identify qualified teams that have met critical deadlines in past projects and that have the ability to work collaboratively to meet Project needs. The costs for such specialized expertise are included in the overall Project budgets and will be included within accepted GMPs.

6. Public Safety. Using the CM/GC process will promote close coordination between the architect and construction teams, resulting in design and construction of renovated facilities that maximize public safety during design, construction and use.

7. Funding Source. Bond funds should be used for timely completion of the Project to help justify the voters' approval of the District's bond measure, and meet applicable spending deadlines. Approving the CM/GC exemption will allow a contractor to be hired earlier in the process than the traditional design-bid-build process, which will enable District to complete the Project on time. Thus, the District finds that utilizing the CM/GC method will allow District to maximize the effectiveness of the voter approved bond measure.

8. Market Conditions. Identifying and contracting with the full Project team at an early stage will allow the District to capitalize on current market conditions, rather than having them affect a later bid/build phase. Such cost and market variables can be anticipated in the GMP, but ultimately should have no effect on the District. The CM/GC subcontractors cannot go over the GMP, but may come in under the GMP, and the District will realize those cost differences. Having a qualified CM/GC play a role as an integrated team member early in the Project with the District and other Project members also adds expertise to the design phase, which translates into District savings and provides more budgetary certainty.

No negative financial impacts to the District are expected as a result of using the RFP solicitation process to select a CM/GC for the Project. There is a sufficient pool of qualified Oregon-based construction companies with expertise in the type and size of project planned and there are additional qualified firms located in the greater Pacific Northwest. It is anticipated that a substantial number of competitors will submit proposals for this Project, allowing the District to select from among a number of qualified contractors.

9. Technical Complexity. Because of the site and schedule constraints, effective project planning and coordination will be crucial among the District, project manager, and

CM/GC. Strong budget and schedule controls will be essential. The conventional design-bid-build approach would pose too much risk for the District on this Project. The CM/GC will bring specific construction expertise to the team process and assist in addressing specific Project challenges as part of its pre-construction services. The CM/GC will also provide input on issues such as public safety, phasing, and coordinated scheduling. The CM/GC method encourages innovative planning and coordination that further improve the construction schedule and on-site conditions. The ability to coordinate and manage this project would be especially challenging to an inexperienced or narrowly-focused team. The RFP process allows the District to consider the proposer's experience and expertise in completing this type of work, its sensitivity to safety, legal, and operational issues, and the qualifications and experience of its project manager and support team.

10. Funding Sources. The District will finance the Project using proceeds from a recent successful bond measure. Other funding sources are not available. Therefore, it is critical for the District to complete the Project within its budget and on time. The CM/GC process, with its maximum price provisions, value engineering potential, constant oversight from a project manager, and construction input beginning in the design phase, will help the District stay within its budget and wisely spend public funds.

11. New Construction or Renovation of an Existing Structure. The Project involves the renovation of existing public library facilities.

12. Occupied or Unoccupied During Construction. The existing facilities will be occupied during construction, adding to the Project's technical complexity.

13. Single Phase or Multiple Phases of Construction Work to Address Specific Project Conditions. The Project includes a multiplicity of technical issues related to constructing renovations with existing public library facilities. Branch Renovations at Sunriver, Sisters, La Pine and East Bend will expand visibility and orientation from lobby, enhance browsability, and increase the variety of studying, meeting, and creative collaboration spaces. No current work is planned for the leased East Bend facility, but technology and system upgrades to match other branch renovations will be considered as funds are available. The roof at the Sisters branch will need replacement prior to the upcoming winter season. Furthermore, the remodeled facilities will be linked with the regional DPL material handling system for Library users across Deschutes. It is important to the Project's budgetary and scheduling success that the District have a sophisticated general contractor on board early in the process that understands these complexities, possesses experience and skill to manage these types of complex projects, and who can define and refine the construction process. Further, the project contractor must be able to develop bid instructions which will attract appropriate subcontractors to perform Project work. This codification of the Project processes will ensure the most efficient and cost-effective outcome with the earliest end user turnover of the Libraries for their intended use. The District, therefore, finds that selecting a firm through the CM/GC method allows the District to contract with a firm with the needed technical phasing expertise.

14. Whether the District has the Personnel, Consultants and Legal Counsel with Necessary Expertise and Substantial Experience in Alternative Contracting Methods. Staff, in

conjunction with the Architect (who was chosen based upon qualifications and experience with the CM/GC project delivery model), an experienced contractor, as well as other Project team members and the District Legal Counsel, together, will have the level of expertise with the CM/GC alternative contracting method needed to produce a high-quality Project outcome. The District acknowledges that the expertise will come primarily from non-staff elements. To this end, the District's contract with its chosen Owner Representative, Architect, and Legal Counsel obligate each of these team members to assist with and oversee the CM/GC selection process.

15. Unlikely to Encourage Favoritism or Substantially Diminish Competition. As noted in Finding 1, CM/GC competition will be encouraged through the use of an RFP solicitation process, with notice of the RFP published state-wide to reach a wide range of potentially interested proposers. No reduction of competition is expected because the RFP for this CM/GC contract will be advertised in the same manner as a traditional low bid solicitation, with full disclosure of the planned CM/GC alternative contracting method. Uniform evaluation criteria will be used in the selection and award of the CM/GC firm, and the construction work elements will be subcontracted and procured through open competitive bids managed by the CM/GC and based on identified selection criteria. Favoritism cannot play a role in the selection of the CM/GC, as award will be based upon set, weighted RFP criteria. All qualified firms will be able to participate in an open, competitive selection process, with an opportunity to protest the award before it is final.

16. Will Result in Substantial Cost Savings. The CM/GC contracting method has the potential to achieve substantial cost savings for the District through the involvement of the contractor in the design phase of the Projects. Early input by the CM/GC during the design process is expected to contribute to general cost savings through constructability assessments, life cycle cost analysis, and value engineering. By having the CM/GC available before the design is finalized, the contractor is able to participate in the design, propose cost saving revisions, and ensure the constructability of the Project so that costly change orders are less likely.

Cost savings will also be realized because, through the RFP selection process, the District can select a well-organized, experienced CM/GC. This should also lead to fewer change orders and, in turn, reduce staff and Architect time to design, negotiate, and administer the changes.

Lastly, the CM/GC method allows for early procurement of major equipment, allowing the Projects to avoid cost increases due to material shortages or cost escalation. If subcontracted costs are less than identified in the guaranteed maximum price, some or all of the savings will be passed on to the District under the agreement required of the CM/GC.

17. Time Savings. An exempt CM/GC process allows the District to condense the overall time required to complete construction of the Project by enabling the District to procure construction services simultaneously or shortly after soliciting Architect services. Having the CM/GC on board early in the process allows for coordination in the development of the Project construction schedules and the initiation of early site work, where advantageous or warranted. This can help to shorten construction periods. Early detection of potential construction difficulties and material issues, from a contractor's view, can also prevent potential delays and costly and time-consuming change orders.